



MEMORANDUM

TO: City Council

FROM: Bill Robeson, Assistant City Manager/Public Works Director

BY: Shannon Sweeney, City Engineer

SUBJECT: Approval of a Professional Services Agreement for Consulting Services with North Coast Engineering for The Halcyon Complete Streets Project

DATE: June 25, 2024

RECOMMENDATION:

Staff recommends authorizing the City Manager to execute the attached professional services agreement, subject to minor modifications by the City Manager in consultation with the City Attorney (Attachment 3) with North Coast Engineering (NCE) for design services including preparation of plans, specifications, and engineer's estimate (PS&E), right-of-way support, construction support, and testing for the Halcyon Complete Streets Project (Project).

IMPACT ON FINANCIAL AND PERSONNEL RESOURCES:

NCE's total fee proposal is \$1,062,988, which is broken down as shown in Table 1. NCE's fee proposal is included as Attachment 1.

Table 1: NCE Fee Breakdown

Phase	Amount
PS&E	\$617,412
Right-of-Way Support	\$5,000
Construction Support and Testing	\$440,576
Total	\$1,062,988

The Department of Transportation allocated \$648,000 of Active Transportation Program (ATP) funds for the design phase of this project (Attachment 2), which involves developing the PS&E. NCE's fee proposal for PS&E services is within the dollar amount allocated for this phase of the project.

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The total project cost through construction is estimated to be approximately \$9 million. NCE's fee proposal for right-of-way support, construction support, and testing are in line with a project of this magnitude. A total of \$8,169,000 in ATP funds are budgeted for this project. The right-of-way support, construction support, and testing portions of this proposal will be paid out of these funds.

BACKGROUND:

On [July 25, 2023](#), the City Council approved the Halcyon Road Complete Streets conceptual plan and adopted a Mitigated Negative Declaration (MND) in accordance with the applicable provisions of the California Environmental Quality Act (CEQA), Public Resources Code section 21000 et seq. At that meeting, the City Council directed staff to proceed with completion of design and engineering work for the plan, specifically including the compact roundabout option at the Halcyon Road/Fair Oaks Avenue intersection.

City staff issued a qualifications-based Request for Proposals (RFP) on May 3, 2024. The RFP was posted on the City's website and emailed to engineering firms to notify them of the RFP posting. Three proposals were received by the deadline. Proposals were reviewed by a team of five City staff, following the criteria outlined in the RFP, and pursuant to the City's purchasing policy. NCE's proposal was rated highest for its thorough work plan, project team, and experience working with a similar local project, the Creston Road corridor improvements in Paso Robles, which is a similar length road and improvements were funded by the same grant.

ANALYSIS OF ISSUES:

The Halcyon Road Complete Streets Plan was fully vetted through numerous community outreach activities, direction from the City Council, and feedback from the Planning Commission. Implementation of this plan will be funded with \$750,000 in Community Betterment grant funding through SLOCOG, and \$8.1 million in Active Transportation Program (ATP) funding.

Project goals include:

- **Enhance Safety for All Modes of Travel** – Include circulation improvements that enhance safety for pedestrians, cyclists, and motor vehicles to travel along and across Halcyon Road.
- **Improve Multimodal Connectivity** – For all age groups, improve multimodal connectivity by closing gaps to complete continuous walkways and bicycle facilities between residences, Harloe Elementary School, Arroyo Grande Community Hospital, parks, and retail destinations.
- **Provide Adequate Roadway Capacity for Diverse Travel Needs** – Adequate capacity on Halcyon Road needs to be provided for both local and inter-regional travel with intersection controls that promote both safe and efficient travel.

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- **Promote Economic Vitality and Visual Character** – Plan Halcyon Road in a way that promotes multimodal travel options, local visual character, vibrant civic space, social interaction and public health that fosters the local economy and creates a place one wants to be.
- **Recognize and Address the Urban and Rural Interface** – Embrace the diverse urban and rural communities Halcyon Road serves by recognizing the interface with a notable gateway between the two areas this road serves.
- **Recognize Greenhouse Gas Reduction and Air Quality Benefits** – Design elements will include environmental benefits including, but not limited to, reduced use of motor vehicles.

ALTERNATIVES:

The following alternatives are provided for the Council’s consideration:

1. Approve an agreement with NCE for design services from design through construction support to implement the Halcyon Road Complete Streets Plan;
2. Do not approve an agreement with NCE for design services from design through construction support to implement the Halcyon Road Complete Streets Plan; or
3. Provide other direction to staff.

ADVANTAGES:

The primary objective and benefit of the Halcyon Road Complete Streets Project is to provide for safe mobility and accessibility throughout the Halcyon Road corridor, connecting people, schools, the hospital, and businesses by enhancing the built environment for all modes of travel including pedestrians, bicyclists, transit vehicles, trucks, and motorists. The multimodal transportation enhancements can also help to reach the State’s greenhouse gas emission reduction goals. The conceptual plan, previously developed, provides the framework and tools needed to further develop specific designs and provide a complete street along Halcyon Road, ultimately filling sidewalk gaps, installing buffered bike lanes, and implementing a road diet to reduce speeds while also increasing the level of service of the road. Proceeding with a Professional Services Agreement with NCE is the next step in carrying this project from the conceptual phase into actual improvements.

DISADVANTAGES:

Upon construction of improvements along the Halcyon Road corridor per the conceptual plan, the acquisition of right-of-way will be needed from two property owners (Arroyo Grande Hospital and Harloe Elementary). Both parties have received preliminary notification of potential and general right of way locations. Further early City staff communication and meetings with hospital and School District staff will be scheduled. Actual right-of-way needs will be further refined as design proceeds and will be delineated at about 60% design of the project. Furthermore, construction activities following PS&E development will temporarily impact adjacent businesses and residents.

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ENVIRONMENTAL REVIEW:

On [July 25, 2023](#), the City Council adopted an MND for the Halcyon Complete Streets Project. The MND analyzed the environmental impacts of the Project in compliance with CEQA. Proceeding with design of the Project will have no direct or indirect physical impacts and does not constitute a substantial change to the Project such that revisions to the previously adopted MND are required. Thus, none of the conditions requiring subsequent environmental review called out in State CEQA Guidelines section 15162 or Public Resources Code section 21166 are present, and no further environmental review is required.

PUBLIC NOTIFICATION AND COMMENTS:

The Agenda was posted at City Hall and on the City's website in accordance with Government Code Section 54954.2.

ATTACHMENTS:

1. NCE fee proposal
2. Department of Transportation finance letter
3. Professional Services Agreement