



**TOWN OF LOS GATOS  
COUNCIL AGENDA REPORT**

MEETING DATE: 04/20/2021

ITEM NO: 5

---

DATE: April 15, 2021  
TO: Mayor and Town Council  
FROM: Laurel Prevetti, Town Manager  
SUBJECT: Authorize the Town Manager to Negotiate and Execute a Consultant Services Agreement with NCE for the Shannon Road Repair (CIP No. 811-0008) Design Services in an Amount Not to Exceed \$450,000

**RECOMMENDATION:**

Staff recommends that the Town Council authorize the Town Manager to negotiate and execute a consultant services agreement with NCE for the Shannon Road Repair (CIP No. 811-0008) design services in an amount not to exceed \$450,000.

**BACKGROUND:**

The Town's adopted Fiscal Year (FY) 2020/21-2024/25 Capital Improvement Program (CIP) Budget designates FY 2020/21 funding for the Shannon Road Repair (CIP No. 811-0008). The intent of the project is to investigate the ongoing pavement failures and ground settlements occurring on Shannon Road between Santa Rosa Drive and Diduca Way, and identify design solutions to stabilize and repair the embankment and roadway.

In 2018, the Town of Los Gatos took ownership of the 1,300-foot section of Shannon Road between Santa Rosa Drive and Diduca Way as part of an annexation of 14915 Shannon Road from the County of Santa Clara (County), as approved by the Town Council and certified by the Local Agency Formation Commission (LAFCO).

The annexed portion of Shannon Road had a history of pavement cracking and settlements. The County routinely paved over the roadway segment to repair the failures. There is reportedly up to 27 inches of asphalt along the outer edge of the road in certain locations due to repeated paving operations undertaken. Prior to the annexation, the County attempted to rectify the settlement issue by injecting polyurethane foam to fill voids under the roadway,

**PREPARED BY:** WooJae Kim  
Town Engineer

---

Reviewed by: Town Manager, Assistant Town Manager, Town Attorney, Finance Director and Parks and Public Works Director

---

PAGE 2 OF 4

SUBJECT: Authorize the Town Manager to Negotiate and Execute a Consultant Services Agreement with NCE, Inc. for the Shannon Road Repair (CIP No. 811-0008) Design Services in an Amount Not to Exceed \$450,000

DATE: April 15, 2021

BACKGROUND (continued):

assuming that would stop the settlement. Shannon Road was annexed to the Town shortly after completing the repair work.

Despite the foam injection by the County, the road embankment continued to creep downslope within a year causing pavement distress and failure. The settlement has now caused few of the injection pipes that were left embedded underground to protrude through the pavement surface. The continued deterioration of the roadway creates some urgency for a permanent solution to stabilize the embankment to avoid continuous periodic maintenance and before a more severe pavement failure. In addition to residential ingress and egress, Shannon Road is a primary route for emergency vehicles for the area.

On April 30, 2020, Council authorized a consultant services agreement with NCE to conduct a geotechnical analysis to investigate the root of the problem and recommend long term and cost-effective repair solutions.

DISCUSSION:

On December 7, 2020, NCE, in partnership with Cal Engineering and Geology (CE&G), submitted a Geotechnical and Alternatives Report for the Shannon Road Embankment Stabilization (Attachment 1). The Report discussed that oversteepening of the roadway embankment, substandard compaction of the colluvium road fill, seasonal rain that saturates and reduces the strength of the underlying soils, and severely weathered bedrock are the causes of the long term ongoing creep downslope of the embankment.

NCE and CE&G recommended retaining walls as the only permanent solution to stabilize the embankment to stop the settlement and creep of the roadway. The final design of the retaining walls would take about a year to complete once a designer is onboard. The construction of the retaining walls could take six to ten months to complete, during which half of the width of the roadway would need to be closed and reconstructed. All necessary steps would be taken to keep the other half of the roadway open to two-way traffic with traffic control. NCE noted that there may be utility relocations and right-of-way issues associated with the construction of retaining walls, to be determined during the design phase, which may prolong the overall project completion. The consultants established that the design and construction of the project would cost approximately \$5.5 million with the soldier pile and lagging retaining wall option.

For the design services for the Shannon Road Repair with environmental assessment and evaluation of right-of-way issues, staff issued a Request for Proposal (RFP) to the following nine On-Call Civil Engineering Firms on December 22, 2020:

PAGE 3 OF 4

SUBJECT: Authorize the Town Manager to Negotiate and Execute a Consultant Services Agreement with NCE, Inc. for the Shannon Road Repair (CIP No. 811-0008) Design Services in an Amount Not to Exceed \$450,000

DATE: April 15, 2021

DISCUSSION (continued):

- ActiveWayz Engineering
- Bellecci and Associates
- Carroll Engineering, Inc.
- Civil Engineering Associates
- CSG Consultants
- MNS Engineers
- NCE
- Ruggeri-Jensen-Azar
- Wilsey Ham

The Parks and Public Work Department's On-Call Civil Engineering Consultant List was established through a formal Request for Qualifications process in 2019. By the proposal due date of January 14, 2021, staff received proposals from NCE and MNS Engineers.

Through the proposal evaluation and interview process outlined in the RFP, staff selected NCE as the best qualified firm for the project. Although MNS Engineers submitted a comprehensive proposal, NCE gathered a more experienced team to complete the final design of the project. NCE's proposal addressed all the requirements in the RFP.

Staff is seeking authorization from Council for the Town Manger to negotiate and execute a consultant services agreement with NCE, Inc. in a contract amount not to exceed \$450,000. Attachment 2 is the proposal from NCE, and a draft consultant services agreement is included as Attachment 3.

CONCLUSION:

Approval of the recommendation will allow staff to execute a consultant services agreement with NCE to implement the design phase of the Shannon Road Repair project.

COORDINATION:

This project has been coordinated with the Town Attorney and the Finance Department.

FISCAL IMPACT:

There is sufficient funding in the FY2020/21 CIP Budget to cover the final design cost for the Shannon Road Repair project. Design is anticipated to be completed by spring 2022, and

SUBJECT: Authorize the Town Manager to Negotiate and Execute a Consultant Services Agreement with NCE, Inc. for the Shannon Road Repair (CIP No. 811-0008) Design Services in an Amount Not to Exceed \$450,000

DATE: April 15, 2021

FISCAL IMPACT (continued):

construction could start as early as summer 2022. Approximately \$4 million in additional funds would be needed to complete the construction of the project.

Staff costs are tracked for all projects. Tracking of staff costs allows for accountability in the costs of the project, recovery of costs for grant funded projects, and identification of future staffing needs. This project will utilize both full-time budgeted and part-time staff. The costs for full-time staff are accounted for in the Department’s Operating Budget. Only part-time staff costs incurred will be charged to the project.

<b>Shannon Road Repair Project 811-0008</b>		
	<b>Budget</b>	<b>Costs</b>
GFAR	\$ 1,500,000	
<b>Total Budget</b>	<b>\$ 1,500,000</b>	
Geotechnical Analysis by NCE		\$ 79,950
Design Contract with NCE		\$ 450,000
Part-Time Staff Cost		\$ 50,000
Material Testing and Inspection		\$ 200,000
Construction and Contingency		\$ 4,700,000
<b>Total Expenditures</b>		<b>\$ 5,479,950</b>
<b>Remaining Balance</b>		<b>-\$ 3,979,950</b>

ENVIRONMENTAL ASSESSMENT:

An environmental assessment will be conducted during the design phase of the project.

Attachments:

1. CE&G Geotechnical Report
2. Proposal from NCE
3. Draft Consultant Services Agreement with NCE