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**REDEVELOPMENT AGENCY
OF THE CITY OF OAKLAND**
AGENDA REPORT

TO: Office of the City/Agency Administrator
ATTN: Deborah Edgerly
FROM: Community and Economic Development Agency
DATE: June 10, 2008

RE: **Report and Oakland Redevelopment Agency (Agency) Resolution Regarding Amendments to Existing Professional Services Agreements in Support of Development of the Gateway Development Area at the Former Oakland Army Base:**

- 1) **Authorizing the Agency Administrator to Negotiate and Execute an Amendment to the Professional Services Agreement with Kimley-Horn & Associates in an Amount Not to Exceed Nine Hundred Sixty Thousand Dollars (\$960,000) for a Total Contract Amount of Two Million Nine Hundred Sixty Thousand Dollars (\$2,960,000); and**
- 2) **Authorizing the Agency Administrator to Negotiate and Execute an Amendment to the Professional Services Agreement with URS Corporation to Extend the Term of the Contract to June 30, 2010, with No Change to the Existing Contract Amount; and**
- 3) **Authorizing the Agency Administrator to Negotiate and Execute an Amendment to the Professional Services Agreement with Lamphier-Gregory in an Amount Not to Exceed One Hundred Thousand Dollars (\$100,000) for a Total Contract Amount of Six Hundred Forty Three Thousand Dollars (\$643,000).**

SUMMARY

Development of the Oakland Redevelopment Agency's (Agency's) 165-acre Gateway Development Area (GDA) at the former Oakland Army Base is a multi-year project that requires expertise in engineering and planning, environmental services, and California Environmental Quality Act (CEQA) analysis.

Agency staff conducted a comprehensive and competitive process to select a group of highly-qualified professionals to provide project management in the complex infrastructure design and engineering, environmental remediation and CEQA analysis and implementation required to conduct the multi-faceted and inter-related program of converting, planning and developing a former military base. The Agency is now at a critical point in development of the GDA, with two development projects approved and the selection process for a Master Developer for the largest area of the GDA underway. To support staff in evaluating and negotiating current and upcoming developments and to keep them on-track, it is essential to keep this team of technical experts on the project.

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Staff recommends extending the above-referenced contracts for two years and increasing the services and contract amounts of two of the contracts. This report presents three amendments to professional services agreements in support of development of the GDA, and requests that the Council/Agency approve the attached resolution to authorize the Agency Administrator to negotiate and execute these amendments.

FISCAL IMPACT

The funds to finance the increased contract amounts are contained in the Agency Budget for Fiscal Years 2007-2009, authorized pursuant to Agency Resolution No. 2007-0054 C.M.S. The funds to increase the Lamphier-Gregory contract are budgeted in: the Oakland Army Base Leasing & Utility Fund (9575), West Oakland Base Reuse Org (88679), OBRA Leasing and Utility Project (S294210). The funds to increase the Kimley-Horn contract are budgeted in the Oakland Army Base Redevelopment Fund (9570), West Oakland Base Reuse Org (88679), Baybridge Gateway Project (S235320).

BACKGROUND

Since transfer of the former Oakland Army Base property to the Agency in 2006, the Army Base project has progressed from planning to implementation of the GDA development. In support of this effort, Agency staff assembled a team of highly-qualified professionals to provide project management for the complex infrastructure design and engineering, environmental remediation, CEQA analysis, and coordination required to conduct the multi-faceted and inter-related program of converting, planning and developing a former military base. Selection of each of these consultants was the result of comprehensive and competitive processes, conducted by the CEDA Environmental Services Manager for the Army Base project.

The Agency approved developments for the North and East Gateway Development Areas in 2006 and 2007, respectively. Planning is now underway for a 28-acre freeway auto mall on the North Gateway and for two trucking-related maritime support projects totaling approximately 20 acres on the East Gateway. The project engineering services of Kimley-Horn & Associates and of URS, Inc. and the CEQA analysis services of Lamphier-Gregory have been an integral part of this effort, including providing analysis and support in the Agency's legal dispute with the East Bay Municipal Utility District (EBMUD) over access to EBMUD's treatment plant adjacent to the northern boundary of the North Gateway.

On January 10, 2008, pursuant to Council direction at its meeting of December 18, 2007, staff issued a Request for Qualifications (RFQ) for the largest remaining section of the GDA – a 108-acre area that includes the West, Central and portions of the East Gateway areas. On March 10, 2008, staff received 13 proposals from prospective development teams. Staff is conducting a comprehensive review process, and expects to bring development recommendations to the Council in July 2008.

As development plans for the balance of the GDA move forward, it will be essential to maintain the core experience and expertise of the technical team in order to ensure coordination and integration of the entire project.

KEY ISSUES AND IMPACTS

Development of the Agency's 165-acre Gateway Development Area (GDA) at the former Oakland Army Base is a multi-year project that requires expertise in engineering and planning, environmental services, and California Environmental Quality Act (CEQA) analysis. Now that development of the GDA has reached a critical stage, to ensure continuity and enable current and upcoming development to stay on-track, staff recommends amending the professional services agreements addressed in this report to extend the term and increase services and contract amounts. Therefore, staff proposes extending the above-referenced agreements for two years.

1. Engineering Services

A. Kimley-Horn & Associates

Kimley-Horn & Associates (KHA) is the managing project engineer for the infrastructure design and engineering of the Agency's development of the former Army Base, providing the infrastructure master planning for the GDA. KHA provides liaison with the City's planning and engineering staff and advises on coordination with the major development projects planned by entities adjacent to the GDA: the Port of Oakland, the East Bay Municipal Utility District (EBMUD), the California Department of Transportation (Caltrans) and Burlington Northern /Santa Fe Railroad.

KHA has completed the design and engineering drawings for the roads, utilities and other infrastructure in the North Gateway area. In preparation of the construction stage of the infrastructure improvements for the auto mall there, KHA has prepared a draft Tract Map Application and applications for new water (EBMUD) and utility (PG&E) service. The design of the North Gateway infrastructure underwent several rounds of changes as a result of a legal dispute with EBMUD over issues regarding access to EBMUD's existing Municipal Waste Water Treatment Plant. KHA's services have been invaluable in the dispute with EBMUD, and the Agency will continue to use KHA as the litigation progresses to provide critical technical support in the negotiations and evaluating settlement options. This work was not anticipated in KHA's original contract amount.

During the next two critical years of the GDA development, KHA will provide a full range of program management and engineering and planning services related to the planned development of the remaining areas of the former Army Base: the East, Central and West Gateway areas. Continuity of the project engineering will be essential to assist the Agency in its negotiations and evaluations of the next stages of development.

KHA will continue to work directly for the Agency and report to the Agency's project manager, Alex Greenwood. KHA also will coordinate with various divisions of the Community &

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Economic Development Agency (CEDA) and the Public Works Agency (PWA), as well as with external regulatory and municipal agencies, such as Caltrans, the Port, or EBMUD.

A Proposed Scope of Work is attached to this report (see Attachment A).

Staff recommends increasing the amount of the contract with KHA by \$960,000 and extending the term to June 30, 2010.

The KHA team is comprised primary of Local and Small Local Business Enterprises (LBE and SLBE). KHA has responded to requests for work in a timely and professional manner, utilizing the resources identified in their proposal. It is estimated that approximately 90 percent of the work performed under this contract amendment will be performed by LBE and SLBE firms.

B. URS, Inc.

URS has provided engineering services in support of the environmental remediation program. The primary tasks to be performed by URS under the contract amendment will be to assist with the engineering design and specifications required for the removal of existing structures within the Gateway Development Area. The Agency is working with the Port of Oakland on the tentative removal schedules and requires engineering assistance to evaluate and negotiate with the Port and site developers on the cost, process and schedules for structure removal.

The URS contract amount of \$500,000 will remain the same under the proposed amendment; the term would be extended to June 30, 2010.

2. CEQA Analysis and Related Support for Development Activities

Lamphier-Gregory, an Oakland-based firm, has provided the Agency with CEQA environmental review and related analysis in support of development plans for the Gateway Development Area at the Army Base. The Environmental Impact Report for the Oakland Army Base Area Redevelopment Plan (EIR) and subsequent Supplemental EIR (SEIR) include a Mitigation Monitoring and Reporting Program (MMRP), which addresses the impacts of the development planned for the former Army Base, and sets forth a program of mitigations required for development. Lamphier-Gregory's services have been invaluable in supporting the Agency's development planning efforts. Services have included: evaluating proposed development plans in terms of compliance with the MMRP and identifying flaws, developing a framework for a "Fair Share" analysis of developer contributions toward MMRP improvements, and supporting staff negotiations with outside agencies. Lamphier-Gregory has also provided key technical support in the Agency's litigation with EBMUD and the Agency will need to continue to rely on that support. As in the case of Kimley-Horn, the unexpected work generated by the litigation support was not anticipated in Lamphier-Gregory's current contract budget.

Staff has been satisfied with the work product that Lamphier-Gregory has provided. In light of this, and the company's experience, background, expertise and strong familiarity with Army Base

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development issues, staff recommends extending Lamphier-Gregory's professional services agreement in order to continue work underway and provide for the critical CEQA analysis of upcoming development proposals. Work will be directed on a task-order basis and is likely to include:

- 1) Continuation of CEQA technical support in the litigation with EBMUD;
- 2) A Fair-Share Allocation Analysis to determine the appropriate financial contribution that should be obtained from developers of the North, East, Central and West Gateway Development Areas for financing the necessary physical improvements and mitigations identified in the MMRP;
- 3) Environmental analysis (Addendum to the 1983 Proposed Port of Oakland Sign EIR for a Gateway Auto Mall Media Board / Electronic Display Billboard) pursuant to the CEQA for the proposed Auto Mall Billboard project and other Auto Mall-related projects pursuant to the California Environmental Quality Act; and
- 4) Environmental Analysis of future development proposals for the East, Central and West Gateway Development Areas pursuant to the California Environmental Quality Act.

The above tasks all support development and implementation of the Agency's Gateway Development at the former Oakland Army Base. Lamphier-Gregory has the background to complete these efforts quickly and in a manner that builds on the existing known development issues, opportunities and constraints of the Army Base project. Staff recommends increasing the contract amount by \$100,000 and extending the contract term to June 30, 2010.

SUSTAINABLE OPPORTUNITIES

Economic: The Agency's goals for potential development as described in this report would generate significant high-quality jobs and tax revenue; preserve and expand local businesses; and would increase land values in a vacant, blighted, abandoned military facility.

Environmental: The Agency's goals for potential development as described in this report would provide a mechanism to fund the environmental remediation of the Army Base; improve the waterfront; and allow for the development of an urban in-fill site.

Social Equity: The Agency's goals for potential development as described in this report would generate a range of jobs that are accessible to Oakland residents with a range of educational backgrounds. Revenue generated from the redevelopment of the Army Base could be used to fund open space and other community benefits for West Oakland and the rest of Oakland.

DISABILITY AND SENIOR CITIZEN ACCESS

This report does not involve the approval of any specific projects or programs. Disability and senior access issues would be addressed when specific development plans are submitted to the City by a developer for review and approval.

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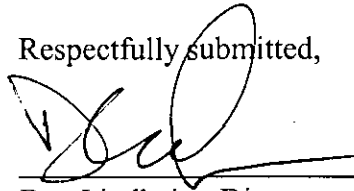
RECOMMENDATIONS AND RATIONALE

Development of the Agency's 165-acre Gateway Development Area (GDA) at the former Oakland Army Base is a multi-year project that requires expertise in engineering and planning, environmental services, and California Environmental Quality Act (CEQA) analysis. The Agency has assembled a team of highly-qualified professionals in each of these areas, which, combined with the leadership and support of key Agency and City staff, has moved the Army Base project from planning to implementation of the GDA development. Selection of each of these consultants was the result of a comprehensive and competitive process. For continuity and to enable current and upcoming development to stay on-track, staff recommends amending the contracts addressed in this report to extend the term and increase services and contract amounts.

ACTION REQUESTED OF THE CITY COUNCIL/REDEVELOPMENT AGENCY

Staff requests that the Council/Agency approve the attached resolution to authorize the Agency Administrator to negotiate and execute the amendments to the professional services agreements with Kimley-Horn & Associates, URS, Inc., and Lamphier-Gregory.

Respectfully submitted,



Dan Lindheim, Director
Community and Economic Development Agency

Reviewed by: Gregory Hunter
Deputy Director, Economic Development and
Redevelopment

Prepared by:
Margaret Sullivan
Program Analyst, Redevelopment Division

APPROVED AND FORWARDED TO
THE COMMUNITY AND ECONOMIC DEVELOPMENT COMMITTEE:



Office of the City/Agency Administrator

Attachment A: Kimley-Horn and Associates, Inc. Proposed Scope of Work

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PROPOSED SCOPE OF WORK

PROGRAM MANAGEMENT

The following are tasks typical for the proposed Scope of Work. We will perform other tasks as needed and identified per task order.

1. Agency and Inter-Departmental Coordination

Includes the following types of tasks:

- Provide coordination efforts between Agency, Public Works, Utilities (PG&E, AT&T, Comcast, EBMUD, etc.), the Port of Oakland, Caltrans, the Railroads, BCDC, DTSC, the Army Reserve, the Regional Water Quality Board, and others, as needed
- Coordinate and develop access and utility easements
- Provide agency coordination including project development review teams
- Assist in review of purchase agreements, CCRs, development agreements, etc.
- Prepare development standards and coordinate with developer consultants and development staff

2. Project Administration

Includes the following types of tasks:

- Develop, monitor and update a master schedule
- Oversee and manage consultants, coordinate disciplines (North Gateway)
- Administer consultant contracts (North Gateway)
- Record keeping for all work related to this project including engineering studies, drawings, contracts, correspondence, invoicing and payments
- Project closure and acceptance documents

CITY ENGINEERING AND PLANNING SERVICES

3. Infrastructure Master Planning

Includes the following types of tasks:

- Provide master planning for the East Gateway
- Coordinate master planning efforts between the three Gateway Areas
- Coordinate and manage project surveys
- Provide value engineering
- Provide peer review
- CEQA Compliance (Non-Transportation/Traffic Related)
 - Provide input on HAZMAT compliance issues
 - Review soil remediation plans and reports
 - Comment on water quality, flooding hazard, and fire hazard issues in documents associated with the development proposal



4. Land Development Entitlement Review

Includes the following types of tasks:

- Review of Development Agreements, Development and Disposition Agreements and Demolition Agreements for Public/Private Partnership Development projects to address issues related to planning, design, construction and maintenance of public works related facilities, such as streets, transportation operations, sanitary sewers, drainage, public open space (including waterfront space), large scale demolition, and hazardous materials Review of plans, specifications and costs estimates for public and private infrastructure
- Determine/Review/Negotiate for appropriate development impact fee structure to ensure equitable allocation of funds for construction and maintenance of improvements, including evaluation of fee nexus
- Financial planning for associated infrastructure
- Represent the Agency in negotiations with the developers, utility companies and regional and state regulatory agencies
- Work closely with various departments in the City to reach agreement on development issues
- Review various land development maps, such as lot line adjustment maps, tentative tract map, final tract map, tentative parcel maps, final parcel maps, etc.
- Review of specialized technical studies and reports
- Review of site plans for development projects
- Review storm water/drainage/floodplain, sanitary sewer, water/recycled water, and dry utilities studies and calculations for development projects particularly in Bay mud and near hazmat sites
- Geotechnical/Geological Evaluation
- Review HAZMAT and Hazardous Waste related information for impacts on public infrastructure
- Participate in public review process, make presentations to approving bodies

5. Transportation Planning

Includes the following types of tasks:

- Review of transportation benefits and concerns associated with development projects
- Transportation project prioritization
- Review the travel demand modeling including the land use and street network assumptions
- Cost estimates (planning level)
- Review Transportation section of any supplemental EIRs and provide comments
- Review and comment on bicycle/pedestrian/transit/para-transit/ and other alternative transportation modes planning, design and operations, including routing, headways, frequencies, etc.




6. Traffic Engineering

Includes the following types of tasks:

- Review corridor and intersection analyses, including operations, safety, and level of service
- Review and comment on the traffic circulation aspects of existing and proposed street system, including the feasibility of utilizing various traffic calming controls (roundabouts, traffic circles, chicanes, etc.); appropriate street classifications and right-of-way widths for traffic flow, parking, sidewalk and landscaping; and adequate accessibility to the adjacent land uses
- Review and comment on circulation of transit, pedestrian and bicycles
- Review and comment on traffic operations analyses; familiarity with Synchro software based HCM 2000 Methodology
- Review and comment on traffic impact studies

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Alicia Koentha
Agency Counsel

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OAKLAND REDEVELOPMENT AGENCY

RESOLUTION No. _____ C.M.S.

OAKLAND REDEVELOPMENT AGENCY (AGENCY) RESOLUTION REGARDING AMENDMENTS TO EXISTING PROFESSIONAL SERVICES AGREEMENTS IN SUPPORT OF DEVELOPMENT OF THE GATEWAY DEVELOPMENT AREA AT THE FORMER OAKLAND ARMY BASE:

- 1) **AUTHORIZING THE AGENCY ADMINISTRATOR TO NEGOTIATE AND EXECUTE AN AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT WITH KIMLEY-HORN & ASSOCIATES IN AN AMOUNT NOT TO EXCEED NINE HUNDRED SIXTY THOUSAND DOLLARS (\$960,000) FOR A TOTAL CONTRACT AMOUNT OF TWO MILLION NINE HUNDRED SIXTY THOUSAND DOLLARS (\$2,960,000);**
- 2) **AUTHORIZING THE AGENCY ADMINISTRATOR TO NEGOTIATE AND EXECUTE AN AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT WITH URS CORPORATION TO EXTEND THE TERM OF THE CONTRACT TO JUNE 30, 2010, WITH NO CHANGE TO THE EXISTING CONTRACT AMOUNT; AND**
- 3) **AUTHORIZING THE AGENCY ADMINISTRATOR TO NEGOTIATE AND EXECUTE AN AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT WITH LAMPHIER-GREGORY IN AN AMOUNT NOT TO EXCEED ONE HUNDRED THOUSAND DOLLARS (\$100,000) FOR A TOTAL CONTRACT AMOUNT OF SIX HUNDRED FORTY THREE THOUSAND DOLLARS (\$643,000).**

WHEREAS, the Oakland Redevelopment Agency (Agency) is working to redevelop the 165-acre Gateway Development Area (GDA) at the former Oakland Army Base in West Oakland; and

WHEREAS, the GDA is a multi-year project that requires expertise in engineering and planning, environmental services, and California Environmental Quality Act (CEQA) analysis; and

WHEREAS, Kimley-Horn Associates is the project engineer for the infrastructure design and engineering at the GDA, including preparation of a draft Tract Map Application, an application for new water (EBMUD) and utility (PG&E) service; and

WHEREAS, Agency staff has been very satisfied with Kimley-Horn's work, and recommends that the Agency continue to use them for necessary program management

and engineering and planning services related to the planned development of the Gateway Development Area; and

WHEREAS, Agency staff recommends extending the Kimley-Horn contract through June 30, 2010, and by an additional \$960,000 for a total contract amount of \$2,960,000; and

WHEREAS, URS Corporation has provided valuable engineering services in support of the environmental remediation program, which includes the removal of existing structures within the Gateway Development Area; and

WHEREAS, Agency staff has been very satisfied with URS's work, and recommends that the Agency continue to use them for necessary remediation work, and extend their contract term through June 30, 2010; and

WHEREAS, for many years Lamphier-Gregory has provided the Agency with CEQA environmental review and related analysis in support of development plans for the Gateway Development Area at the Army Base, and Agency staff has been satisfied with the work product that Lamphier-Gregory has provided; and

WHEREAS, in light of the company's experience, background, expertise and strong familiarity with Army Base development issues, Agency staff recommends extending Lamphier-Gregory's professional services agreement in order to continue work underway and provide for the critical CEQA analysis of upcoming development proposals; and

WHEREAS, Agency staff recommends extending the Lamphier-Gregory contract through June 30, 2010, and by an additional \$100,000, bringing the total contract amount to \$643,000; and

WHEREAS, the Agency Administrator believes that the agreements with Kimley-Horn, Lamphier-Gregory and URS Corporation are essential to the redevelopment and planning for the reuse of the former Oakland Army Base;

NOW THEREFORE BE IT

RESOLVED: That the Redevelopment Agency of the City of Oakland hereby authorizes the Agency Administrator to take all actions necessary to negotiate and execute an amendment to the professional services agreement with Kimley-Horn & Associates to extend the agreement through June 30, 2010, and to increase the contract amount by an additional Nine Hundred Sixty Thousand Dollars (\$960,000) for a total contract amount of Two Million Nine Hundred Sixty Thousand Dollars (\$2,960,000); and be it

FURTHER RESOLVED: That the Redevelopment Agency of the City of Oakland hereby authorizes the Agency Administrator to take all actions necessary to negotiate and execute an amendment to the professional services agreement with URS Corporation to extend the agreement through June 30, 2010; and be it

FURTHER RESOLVED: That the Redevelopment Agency of the City of Oakland hereby authorizes the Agency Administrator to take all actions necessary to negotiate and execute an amendment to the professional services agreement with Lamphier-Gregory to extend the agreement through June 30, 2010, and to increase the contract amount by an additional One Hundred Thousand Dollars (\$100,000), bringing the total contract amount to Six Hundred Forty-Three Thousand Dollars (\$643,000); and be it

FURTHER RESOLVED: That the Agency has independently reviewed and considered this environmental determination, and the Agency finds and determines that this action complies with CEQA because this action on the part of the Agency (a) relies upon the previously certified 2002 Oakland Army Base EIR and the 2006 Bay Bridge Automall Project Supplemental EIR and does not meet the requirements for further environmental review under CEQA Guidelines Section 15162 and 15164; and (b) is otherwise exempt under CEQA Guidelines Section 15301 (existing facilities), and/or Section 15262 (Planning and Feasibility Studies); and be it

FURTHER RESOLVED: That the Agency Administrator or her designee shall cause to be filed with the County of Alameda a Notice of Exemption for this action.

IN AGENCY, OAKLAND, CALIFORNIA, _____, 2008

PASSED BY THE FOLLOWING VOTE:

AYES- BROOKS, BRUNNER, CHANG, KERNIGHAN, NADEL, QUAN, REID,
AND CHAIRPERSON DE LA FUENTE

NOES-

ABSENT-

ABSTENTION-

ATTEST: _____
LATONDA SIMMONS
Secretary of the Redevelopment Agency
of the City of Oakland