



**DATE:** June 25, 2024

**TO:** Mayor and City Council

**FROM:** Director of Public Works

**SUBJECT:** Adopt a Resolution Authorizing the City Manager to Amend the Professional Services Agreement with Kimley-Horn and Associates, Inc., for On-Call Airport Planning and Environmental Services, Increasing the Total Not-To-Exceed Amount from \$700,000 to \$880,000; and Appropriating Additional funds from the Airport Capital Fund in the Amount of \$180,000

## **RECOMMENDATION**

That Council adopts a resolution (Attachment II) authorizing the City Manager to amend the Professional Services Agreement with Kimley-Horn and Associates, Inc., (Kimley-Horn) for on-call airport planning and environmental services, increasing the total not-to-exceed amount from \$700,000 to \$880,000; and appropriating additional funds from the Airport Capital Fund in the Amount of \$180,000 for the requested services as follows: Project 06851 (\$100,000) and Project 06806 (\$40,000 in FY25 and \$40,000 in FY26).

## **SUMMARY**

The City entered into a Professional Service Agreement (PSA) with Kimley-Horn on June 27, 2022 to assist with planning and environmental services for Airport-related capital projects. The use of on-call consultants at the Airport is consistent with past practice due to their expertise and knowledge of Federal Aviation Administration (FAA) regulations and standards, and for other reasons. Due to requested revisions to forecasts contained in the draft Airport Layout Plan (ALP), assistance with the preparation of federal grants, as well as other forthcoming Airport-related projects, staff requested and Council approved an extension to the agreement on May 21, 2024<sup>1</sup> which extended the agreement termination date to June 30, 2026. Staff is now requesting additional appropriations totaling \$180,000 to continue with tasks related to both the on-call and ALP Update.

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<sup>1</sup> <https://hayward.legistar.com/LegislationDetail.aspx?ID=6697434&GUID=905D139B-B625-44F6-A243-DF326BCCD7B2&Options=&Search=>

## **BACKGROUND**

The Airport has employed the use of both consultants and in-house engineering and design staff in the past to assist with various Airport-related capital projects. The Airport requires the use of on-call consultants for their design and planning expertise and knowledge of frequently changing Federal Aviation Administration (FAA) regulations and standards.

In early 2022, Airport staff and the Finance Department's Purchasing Division distributed a Request for Qualifications (RFQ) to aviation consultants in accordance with City procurement policy and FAA guidance. After reviewing and considering the merits of each RFQ received, Kimley-Horn was selected as the consultant and the City entered into an agreement with the firm on June 27, 2022. On May 21, 2024<sup>2</sup>, Council authorized an extension to the agreement's termination date to June 30, 2026.

## **DISCUSSION**

Kimley-Horn was tasked with working on two major projects during the length of the initial two-year contract: the development of an updated Airport Layout Plan (ALP), and an analysis of a Remote Transmitter Receiver (RTR) installation at the Airport. Work is progressing on both projects, with the ALP Update requiring the following tasks to be completed before both items can be reviewed and ultimately approved by the FAA.

### ***Airport Layout Plan with Narrative – Additional Amount of \$100,000 Requested***

The ALP with Narrative provides an inventory of all Airport facilities, including buildings, runways, taxiways, lighting and aircraft parking aprons. The ALP also depicts the locations of potential capital projects.

This ALP Update will ensure Airport facilities conform to current FAA safety and design standards. Kimley-Horn is preparing the ALP Update in accordance with FAA requirements.

Original projections noted that all work was to be completed by June 30, 2024. However, after review staff determined that several items needed further analysis incurring an additional cost of \$100,000.

### ***Other Airport-Related Services – Additional Total Amount of \$80,000 Requested for Fiscal Years 2025 and 2026 (\$40,000 per year)***

Kimley-Horn has effectively responded on several occasions that required interpretation of FAA policies and design standards and evaluating impacts to the airport. It will be beneficial to continue to have expert advice on other administrative projects, such as assistance with applying for federal grants, that will arise over the next two fiscal years at an estimated cost of \$40,000 per year.

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<sup>2</sup> <https://hayward.legistar.com/LegislationDetail.aspx?ID=6697434&GUID=905D139B-B625-44F6-A243-DF326BCCD7B2&Options=&Search=>

## **ECONOMIC IMPACT**

Projects identified in the ALP will ultimately generate work for skilled and unskilled tradespeople during the construction phase.

## **FISCAL IMPACT**

In order to fully encumber the total cost of the requested services, an additional \$100,000 needs to be appropriated for Project 06851 (ALP Update) and \$80,000 for Project 06806 (Consultant Predesign Services), with \$40,000 of that amount appropriated for FY 2025 and the remaining \$40,000 identified and allocated for FY 2026. 90% of the total cost for the ALP Update will be reimbursed through the FAA. The Airport Capital Fund of the CIP includes sufficient funding to accommodate the additional budget needed for this contract.

The Airport is operated as a financially independent Enterprise Fund. It receives no financial support from the City's General Fund and must rely solely on the revenue it generates to fund its annual operating and capital improvement budgets. FAA regulations require the Airport to be as financially self-sustaining as possible, which is also an objective of Council.

## **STRATEGIC ROADMAP**

This agenda item supports the Strategic Roadmap priority to Invest in Infrastructure. Specifically, Invest in City Facilities & Property, Section N12, Upgrade and Maintain Airport Infrastructure and facilities.

## **SUSTAINABILITY FEATURES**

The Airport is strongly committed to developing projects that are environmentally responsible. Therefore, staff will ensure that all plans proposed by future developers incorporate features that are in line with the City's sustainability guidelines.

## **PUBLIC CONTACT**

The agenda and staff report for this item have been posted on the City's website and distributed to interested parties. In addition, key new development projects, have been discussed with Council and the community over the past several years.

## **NEXT STEPS**

If Council approves this request, the City Manager will execute an amendment to the professional services agreement with Kimley-Horn to increase the amount from \$700,000 to \$880,000.

*Prepared by:* Doug McNeeley, Airport Manager

*Recommended by:* Alex Ameri, Director of Public Works

Approved by:

A handwritten signature in blue ink, appearing to be 'DC' with a stylized flourish extending to the right.

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Dustin Claussen, Interim City Manager