



Dear Mayor and Council Members,

On behalf of City Manager Ed Shikada, please find below the staff responses to questions from Councilmember Tanaka on the [Monday, June 19 Council Meeting](#) consent agenda items.

Consent Calendar Item 4: Approval of Construction Contract Number C23187877 with Casey Construction, Inc. in the amount of \$410,604, Authorization for the City Manager to Negotiate and Execute Change Orders up to a Not-to-Exceed Amount of \$41,060, and approval of a FY 2023 Budget Amendment in the Stormwater Management Fund for the Trash Capture Device Installation Project, Capital Improvement Program Project SD-22002; CEQA status – exempt under CEQA Guideline Section 15303.

1. When comparing the hourly rate of the staff's salary to the average hourly rate of these jobs in California, the staff is receiving more than double the salary than the average employee. For example, the 75th percentile of the hourly rate of a senior engineer and engineer is \$58 and \$51.31 respectively. However, this is only 41% and 50% of what the staff proposed, which is \$140 for a senior engineer and \$102.09. Why is this discrepancy so vast?

Staff response: The staff rates provided in the Agreement in the Staff Report are higher than California averages because they represent the full cost of each position, in addition to geographic differences. This rate is comprised of the base hourly rate for the employee plus the cost of all benefits (i.e., pension, medical, dental, vision, etc.).

2. The document states that an additional \$230,578.00 is allotted to consultant support but does not mention the specifics. What is the breakdown of this cost?

Staff response: On August 15, 2022, Council approved a design contract in the amount of \$230,578 (base contract) with Schaaf & Wheeler for the design and construction administration support for the Trash Capture Device Installation project. A detailed scope of work and task order cost breakdown can be found in Exhibit A and Exhibit C in the contract <https://www.cityofpaloalto.org/files/assets/public/public-works/engineering-services/cip-contracts/id.-14424-schaaf-wheeler-c22184896.pdf>.

Consent Calendar Item 7: Approval of Construction Contract with OBS Engineering, Inc. (#C23187759) in the Amount of \$4,199,222 and Authorization for the City Manager to Negotiate and Execute Change Orders up to a Not-to-Exceed Amount of \$419,922 for the Boulware Park Improvements project (PE-17005) and Green Stormwater Infrastructure project (SD-22001); and Approval of FY 2023 Budget Amendments in the Park Development Impact Fee, Stormwater Management, and Capital Improvement Funds; CEQA status—exempt under CEQA Guidelines sections 15301 (existing facilities), 15302 (replacement or reconstruction), 15303 (small structures), and 15311 (accessory structures)

1. If the Council had adopted a resolution accepting the terms of the grant on December 13, 2021, why was it only until April 20, 2023 that an invitation for bids was posted?

Staff response: The adoption of the resolution was required by Proposition 68 to apply for the grant as noted in Staff Report ID#13791. Following its adoption, staff continued design development and construction documents preparation for bidding in spring of 2023.

2. **How will the proposed construction impact residents living directly next to the park, and will it lead to increased traffic or closure of roads in the area?**

Staff response: Upon Council approval of the contract, construction is anticipated to begin in August/September for a construction duration of approximately 14 months. During construction, the park boundary will be fenced off and closed for public access. As part of the project, the end of Chestnut Street will be developed into a cul-de-sac and the segment of Ash Street will be incorporated into the park. No traffic increase or closure of roads is anticipated.

Consent Calendar Item 9: A Purchase Order with One Workplace (Attachment B) for the Public Safety Building Capital Project (PE-15001) in an amount not to exceed \$480,229, including \$436,572 for basic services and \$43,657 for contingency.

1. **Why are manufacturing costs for Herman Miller and its subsidiaries set to increase on July 1, 2023, and will the City face increased costs on our end because of this?**

Staff response: Staff noted the pending price increase and wanted to take advantage of the lower costs as it is more economical for the City. Approval of the staff recommendation will allow the Purchase Order to be placed in time to avoid the annual cost increase that Herman Miller typically has at the beginning of July.

2. **How was the report conducted to determine the quantity of FF&E needed for the PSB, and did the report account for increased remote work post the COVID-19 pandemic?**

Staff response: The quantity of FF&E needed for the PSB is based on the programs and budgeted FTE for staff who will be assigned to the building from Police, Fire Administration, and the Office of Emergency Services. Increased remote work was not considered for this facility because these work groups have limited remote work options given the assignments they perform.

Consent Calendar Item 16: Approval of a Purchase Order with Aviat Networks in the Amount of \$438,907 for Radio Communication Systems for the New Public Safety Building Capital Project (PE-15001), including \$399,007 for Basic Services and \$39,900 for Additional Services; CEQA: Environmental Impact Report for the PSB and New California Avenue Area Parking Garage (Resolution No. 9772)

1. **Will this new system being implemented be compatible with existing ones?**

Staff response: Yes.

2. **What other options were looked into, and why was this one selected?**

Staff response: Palo Alto is a member of the Silicon Valley Regional Interoperability Authority. There is no other option the City could pursue that would provide the same services.

Consent Calendar Item 17: Authorization to Execute Amendment to Legal Services Contract S22184420 with Rankin Stock Heaberlin Oneal to Increase Amount by \$150,000 for Total Not-to-Exceed Amount of \$225,000 and to Extend the Term to January 2025; CEQA Status – Not a Project

1. Why has the cost been increasing?

Staff response: The course of a lawsuit is highly variable and depends on the actions of parties outside the City's control, defense costs cannot be fully scoped at the outset. Staff takes a staged approach to funding. The Scrivner suit, a complex multi-defendant matter, requires additional funding for defense counsel at this time.

2. What has the experience been like with this legal firm?

Staff response: Rankin Stock Heaberlin has a long track record of providing excellent legal services at a reasonable cost.