



CITY OF  
**PALO  
ALTO**

## CITY COUNCIL STAFF REPORT

**From: City Manager**

**Report Type: INFORMATION REPORTS**

**Lead Department: Public Works**

**Meeting Date: May 1, 2023**

Report #: 2302-0932

### TITLE

Semiannual Update on the Status of Capital Improvement Program Projects

### RECOMMENDATION

This report is provided for information only and requires no Council action.

### EXECUTIVE SUMMARY

The City Council and Palo Alto community can be proud of the City's capital improvement program (CIP). The CIP represents major investments in infrastructure functionality and sustainability, funded largely through the 2014 Council Infrastructure Plan as well as utility rates and various other sources. The 2023-2027 five-year CIP totaled \$821.9 million for 190 projects as reviewed by the Council in its adoption of the FY 2023 Capital Budget. Since July 2016, the City of Palo Alto has completed 91 individual community-serving projects totaling over \$295 million in improvements.

The CIP also represents a major effort for much of the City workforce. The following table summarizes the status of all projects for the six-month period of July to December 2022.

Project Type	Active Projects		Construction Phase (excludes Recurring)	Completed
	One-Time	Recurring		
Buildings & Facilities	18	10	6	2
Parks & Open Space	12	9	-	1
Streets & Sidewalks	3	8	-	-

Traffic & Transportation	10	5	2	-
Airport	5	-	2	-
Electric Fund	16	9	4	-
Fiber Optics Fund	1	2	-	-
Gas Fund	2	4	1	1
Stormwater Management Fund	4	2	-	-
Water Fund	5	7	2	-
Wastewater Collection Fund	2	4	1	-
Wastewater Treatment Fund	8	1	2	-
<b>Totals</b>	<b>86</b>	<b>61</b>	<b>20</b>	<b>4</b>

## BACKGROUND

This report provides Council with an update on the status of capital improvement program (CIP) projects and does not include Internal Service Funds Capital Projects (Information Technology and Vehicle). Prior to 2016, year-end and mid-year financial reports included very simple status updates on CIP projects. In contrast, this semiannual report provides more detailed and useful information for the Council and public regarding general fund and enterprise fund projects that appear on Council agendas and will be visible throughout the community.

## ANALYSIS

### Project Update Organization

The City of Palo Alto has a robust capital improvement program, and many individual projects are in progress at any given time. The 2023-2027 five-year CIP totaled \$821.9 million for 190 projects as reviewed by the Council as part of the Adoption of the FY 2023 Capital Budget. The attached CIP project tables are intended to provide Council with a quick overview of each project, including budgetary information, the anticipated completion date, a brief description of the project scope, the status of the project, and upcoming activities including Council actions. Also included in the report is a list of all completed projects since the introduction of the Infrastructure Management System.

### Major/Significant Projects Summary

The 2014 Council Infrastructure Plan is a major focus of staff's capital improvement program efforts. The following table details the Total Project Budget and Total Actual Expenses through

the first half of Fiscal Year 2023 for the Infrastructure Plan projects.

Significant milestones have been achieved on the Infrastructure Plan projects since June 2020, even though construction delays occurred due to the COVID-19 pandemic.

<u>Council Infrastructure Plan Projects</u>	<u>CIP Number</u>	<u>Update</u>	<u>Total Project Budget</u>	<u>Total Actual Expenses*</u>
New Public Safety Building	PE-15001	Construction is underway with completion expected in fall 2023.	\$118,037,804	\$89,622,125
Bicycle and Pedestrian Transportation Implementation Plan	PL-04010	Project on hold pending recent project evaluation and review of future project scoping.	\$15,276,377	\$9,526,878
New Downtown Parking Garage	PE-15007	Council directed staff to look at the feasibility of partnering with a private entity to develop new parking using downtown in-lieu parking fees in conjunction with housing or other uses, including the use of City surface lots or privately held parcels. A Request for Information was issued in December 2022 and staff is currently reviewing proposals.	\$7,188,899	\$1,440,311
New California Avenue Area Parking Garage	PE-18000	Completed	\$50,179,952	\$49,376,203
Charleston Arastradero Corridor Project	PE-13011	Phase 1 & 2 improvements are complete. Phase 3 construction is underway with completion expected fall 2023.	\$20,788,951	\$19,199,414
Fire Station 3 Replacement	PE-15003	Completed	\$10,588,654	\$10,588,654
Highway 101 Pedestrian/Bicycle Overpass Project	PE-11011	Completed	\$23,718,769	\$23,718,769
Fire Station 4 Replacement	PE-18004	Schematic design has been completed and an Architectural Review Board study session and community meeting were held in February and March 2023, respectively.	\$10,167,779	\$506,385

Byxbee Park Completion	PE-18006	On hold pending completion of Baylands Comprehensive Conservation Plan.	\$3,699,189	\$368,192
Downtown Parking Guidance System	PL-15002	A design/build contract was approved by Council in August 2021 but could not be bonded by the Contractor. A new design/build RFP was issued in June 2022 and a new contract will be brought to Council for approval in May.	\$2,815,468	\$327,738
<b>Total Project Budget and Total Actual Expenses</b>			<b>\$262,461,842</b>	<b>\$204,674,669</b>

\*Expenses as of April 17, 2023

The last phase of the Charleston/Arastradero Corridor project and the Public Safety Building project are expected to be completed fall 2023.. Current Infrastructure Plan project schedules can be found at <https://www.infrastructure.cityofpaloalto.org/>

Key considerations for the information presented in the project update tables include:

- Project status information is current as of December 2022
- The individual project tables align with the Capital Improvement Fund categories in the Fiscal Year 2023-2027 capital budget: Buildings and Facilities, Parks and Open Space, Streets and Sidewalks, and Traffic and Transportation. Enterprise Fund projects follow the order of their respective Fund in the capital budget
- Department Technology Upgrades and Improvements projects and Cubberley Property Infrastructure Fund projects are included in the Buildings and Facilities table
- Additional project information is available in the Fiscal Year 2023-2027 capital budget
- Each project table is divided into a section for one-time projects and a section for recurring projects that have ongoing annual funding
- Budgetary figures include staff oversight costs for projects to which staff costs have been allocated
- The table of completed projects, provides a summary of all CIP projects completed since the Biannual CIP updates to council began in 2016. The data is sorted from most recent to oldest

#### Completed Projects

Projects completed in the first half of Fiscal Year 2023, since the last update in June 2022, from July 2022 to December 2022 include the following:

Capital Improvement Fund (general fund)

- Automated External Defibrillator Replacement (FD-21000)
- Magical Bridge Playground Rubber and Synthetic Turf Resurfacing (PE-21003)
- Municipal Service Center A, B and C Roof Replacement (PF-17000)

Gas Fund:

- Gas Main Replacement Project 23 (GS-13001)

These completed projects do not include the significant amount of annual work completed under ongoing recurring projects, such as streets and sidewalks repairs, parking lot maintenance, roofing replacements, and regular maintenance of Utilities assets.

Below are some photos of completed projects:

Magical Bridge Playground Rubber and Synthetic Turf Resurfacing (PE-21003)





#### One-Time Projects Under Construction or underway

Projects that are currently underway include the following:

##### Capital Improvement Fund (general fund):

- Charleston-Arastradero Corridor Project (PE-13011)
- City Facilities Assessment and Record Plan Management System (PE-20002)
- Civic Center Fire Life Safety Upgrades (PE-18016)
- Civic Center Waterproofing Study and Repairs (PE-15020)
- JMZ Renovation (AC-18001)
- New Public Safety Building (PE-15001)
- Parking Management and System Implementation (PL-16002)
- Water, Gas, Wastewater Office Remodel (PE-19001)

##### Airport Fund

- Airport Apron Reconstruction (AP-16000)
- Airport Layout Plan (AP-21000)

##### Electric Fund

- Inter Substation Line Protection Relay (EL-17005)
- Rebuild Underground District 24 (EL-10006)
- Smart Grid Technology Installation (EL-11014)
- Substation Physical Security (EL-16003)



#### Gas Fund

- Gas Main Replacement Project 24 (GS-14003)

#### Wastewater Collection Fund

- Wastewater Collection System Rehabilitation Augmentation Project 30 (WC-17001)

#### Wastewater Treatment Fund

- Plant Master Plan (WQ-10001)
- Primary Sedimentation Tank Rehabilitation (WQ-14003)

#### Water Fund

- Water Main Replacement Project 28 (WS-14001)
- Water Tank Seismic System Upgrades (WS-09000)

As described above for completed projects, the list of projects under construction does not include work currently being conducted under recurring CIP projects.

Below are some photos of projects under construction:

#### New Public Safety Building (PE-15001)





#### Public Safety Building Update

The Public Safety Building project made significant progress in the first half of Fiscal Year 2023. The concrete structure is completed. Interior mechanical, electrical, plumbing and fire protection systems are being installed and exterior cladding and window installation are in progress. As of December 2022, construction is 70% complete and 60% of the project's construction contingency has been used. Staff continues to coordinate with the City Auditor, Baker Tilly, on the Public Safety Building Construction Audit by providing project documents on a monthly basis. Staff started work on procurement packages for Furniture, Fixtures, and Equipment (FF&E) and will be coming to Council for contract approvals starting this spring. Additionally, a cross-departmental staff team is meeting monthly to review and coordinate construction of the Public Safety Building and other projects in the California Avenue area, with a goal of communicating and mitigating the impacts.

#### Boulware Park Improvements Update

The Boulware Park Improvements project is of particular community interest as it will both improve the existing park and incorporate the Birch Street property acquired by the City in Fiscal Year 2019 into the park. Design of the project is complete. It is expected to go out to bid in spring 2023, with construction beginning in summer 2023.



## Capital Improvements of Note Implemented by Other Agencies

### El Camino Real:

El Camino Real (State Highway 82) is maintained by Caltrans. Pavement Condition Index scores for El Camino Real are significantly lower than the average for Palo Alto streets. Staff has been communicating with Caltrans about the upcoming plans to repave El Camino Real from the Mountain View to Menlo Park borders. Currently, this work is planned to start in fall 2023.

### Caltrain Electrification:

The majority of construction for Caltrain Electrification in Palo Alto has been completed, including the installation of all of the foundations, poles, and wires for the project within the City. Testing of the infrastructure, vehicular crossings, and the new electric trains in the Palo Alto area is scheduled to begin in April 2023. Construction and testing of the Paralleling Station near Page Mill Road is scheduled to be complete in spring 2023. The Caltrain Electrification Project is scheduled to be complete in fall 2024.

To finish critical Electrification construction and testing in time to begin passenger service in 2024, Caltrain will be suspending rail service in select areas on weekends throughout the year starting February 11, 2023. The first shutdowns will be between San Francisco and Millbrae for four weekends in February and March. Riders should avoid Caltrain on these weekends and seek alternative transportation if they are planning to travel.

## **FISCAL/RESOURCE IMPACT**

Funding for the projects discussed in this report is provided in the Fiscal Year 2023 Adopted Capital Budget and 2023-2027 Five-Year CIP.

## **STAKEHOLDER ENGAGEMENT**

Stakeholder engagement is conducted separately for each project.

## **ATTACHMENTS**

Attachment A: Semi Annual CIP Updates

## **APPROVED BY:**

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