Infrastructure Blue Ribbon Commission
AGENDA
Thursday, July 14, 2011
Foothills Park Interpretative Center
3300 Page Mill Road
Time: 2:00-8:30 p.m.

This notice is posted in accordance with government code section 54954.2(a) or 54956.

ATTENTION SPEAKERS:

If you wish to address an agenda item or speak during oral communications on a topic not on the agenda, please complete a speaker's card and give it to City staff. The Chair will recognize you at the appropriate time. No cards will be accepted after 2:30pm.

1. Welcome, review, and goals *[15 min]* **(Attachment A)**
2. Review and discussion of draft outline of final report *[60 min]* **(Attachment B)**
   - Working groups breakout to review their sections
3. Vision for infrastructure *[30 min]* **(Attachment C)**
4. Proposal from Commissioner Stillerman to form the "Infrastructure Futures Working Group (name subject to change)" to address key questions before the IBRC and document the recommendations in a report *[30 min]* **(Attachment D)**
   - Take a forward look towards services and infrastructure
   - Note how well the existing infrastructure provides those desired services
   - Identify trends (e.g. population growth, increasing use of cyberspace) that suggest new strategies to meet future needs
   - Put forth a set of goals, suggestions and proposals for optimizing Palo Alto infrastructure in the future
5. Surface Committee report *[30 min]* **(Attachment E)**
6. Working groups: breakout meetings on key questions to answer over the next two months *[60-90 min]*
7. Prioritization *[30 min]* **(Attachment F)**
8. Preparation for City Council study session *[45 min]*
9. Revisit draft outline of final report *[30 min]*
10. Oral communications
    - Members of the public may address the IBRC on any subject not on the agenda for a maximum of three minutes. If a speaker wishes to address the IBRC on any subject on the agenda he or she will be given the opportunity to do so for a maximum of three minutes at the time that agenda item is addressed. Speaker cards are to be submitted prior to 2:30pm.
11. Possible future agenda topics and schedule **(Attachment G)**
12. Adjournment

Attachments List:
   A. Copy of Commission charge from Council
   B. Draft outline of final report
   C. Commissioner Michael's memorandum on vision
   D. Commissioner Stillerman's notes with Co-chair Bacchetti's response
   E. Surface Committee's final report
   F. Co-chairs' statement on prioritization
   G. Calendar

Items for IBRC members to bring:
   • Materials pertinent to his or her working group

Infrastructure Blue Ribbon Committee
(IBRC)
Desired Mission/Objective

Desired Mission/Objective: Provide a recommendation to the City Council on infrastructure needs, priorities, projects and associated funding mechanisms to address the infrastructure backlog and future needs.

The City Council directed the formation of the IBRC and sent to the Policy and Services Committee the goal of generating an infrastructure program. As a guide to achieving the program, the Policy and Services Committee (CMR: 247:10), and as adopted by the City Council, recommended the following questions for the IBRC to consider:

- What is the complete listing of the City's infrastructure backlog and future needs? What criteria should be used to prioritize this list of projects?
- Are there ways the City's infrastructure needs can be prioritized into 5 year increments that can be financed and also effectively implemented given current staff resources?
- What are potential financing mechanisms that could be used to address the City's infrastructure needs? Should there be a one-time financing mechanism or some ongoing source of infrastructure funding? What are the options for each of these choices?
- Is a bond measure the best mechanism for funding the infrastructure backlog? If so, when should this move forward and how could it be structured?
- How can public/private partnerships be leveraged as an infrastructure funding mechanism?
- How are City project cost estimates developed and are these in alignment with other local jurisdictions?
- How do Enterprise Fund infrastructure projects intersect with General Fund infrastructure projects?

*Please note these are guiding questions. The Committee will undoubtedly generate its own questions as it works through the issues and options.

OUTLINE of FINAL IBRC REPORT

1. EXECUTIVE SUMMARY
    a. Include summary of all financing recommendations.

2. IBRC Charge from Council

3. Vision for Palo Alto's Infrastructure

4. Background
    a. Extent of Infrastructure
    b. City's Infrastructure Management
        Build-up of maintenance and replacement needs

5. IMS
    a. Need for an Infrastructure Management System
    b. IMS Spreadsheet
        i. 25-year Time Frame
            1. Annually for five years
            2. Five-year increments thereafter
        ii. Reliability and completeness of Data
        iii. Gap: Infrastructure Needs minus Foreseen Funding sources equals Funding Gap
    c. FINANCE WG: Recommendations for funding.
    d. Recommendations for a future On-going Infrastructure Management System

6. Public Safety: Police and Fire
    a. Needs for Public safety Building
    b. Needs for Fire Stations 3 and 4
    c. Effects of recommendation to combine Stations 2 and 5
    d. Analysis of Police-Fire integration as it affects infrastructure
    e. Recommendations for Public Safety
    f. Recommendations for Station 3
    g. Recommendations for Station 4
    h. Thoughts on Future Sublic Safety Needs
    i. FINANCE WG: Financing Recommendations

7. Public Services: Municipal Services Center
    a. Current Use
    b. Possible Additional Use
    c. Land Swaps
    d. Recommendations
    e. Thoughts on Future Public Service Needs
    f. FINANCE WG: Financing Recommendations

8. APPENDICES

From: Mark Michael <mark_d_michael@yahoo.com>
Date: June 29, 2011 4:14:49 PM PDT
To: leland.levy@wfadvisors.com, raybac@earthlink.net,
mrhgoblue@aol.com, ralphbritton@sbcglobal.net, slevy@ccsce.com,
olstadj5@yahoo.com
**Subject: IBRC Retreat -- vision statement? Homework for
retreat?**

At this afternoon's meeting for planning the July 14 IBRC retreat, we
reviewed a proposed agenda. Item 4 on such agenda contemplated our
discussion of a "vision" for the community of Palo Alto. Le passed around
some proposed vision statements, somewhat revised, as follows:

Vision for the city: *To ensure Palo Alto is a desirable community in which
to live, work, visit, raise a family and retire*

Vision for the infrastructure: *Palo Alto's infrastructure represents the
city's <u>capital assets</u> (e.g., land, buildings, roads, etc.) that enable the
<u>delivery of services</u> which are necessary to <u>fulfill or enhance our civic
vision</u> and thereby meet the <u>needs</u> and satisfy the <u>desires</u> of our <u>residents</u>
and <u>other members</u> of our community* [underlined terms are subject to
discussion and debate!]

Components of infrastructure:

   <u>Internal</u> -- to provide a working environment that promotes employee
efficiency. contributes to high morale, enabling the city to recruit and retain
qualified personnel, and meets all code requirements (*e.g.*, building, health
and safety)

   <u>External</u> -- to protect public safety and provide public facilities or
services comparable in quality to those which average community
residents would provide for themselves

   <u>Users</u> -- to satisfy, at a reasonable cost, the legitimate expectations and
needs of those who use or rely upon the city's infrastructure services

The foregoing ideas were generated out of a discussion several of us have
been having which struggles to articulate the rationale for investing in
infrastructure. What is the purpose of infrastructure at the city level? What
are the benefits? What should it cost? What is it worth? How might we

anticipate future requirements? Is it a matter simply of repairing, maintaining and updating the infrastructure that currently exists? Or, to what extent will there be an inevitable opportunity or need for transformative change? When Palo Alto first established, financed and constructed the infrastructure we currently enjoy, the situation and circumstances of the city were markedly different from what they have recently become. Decades ago the region now known as Silicon Valley was much less developed and densely populated. Our neighboring communities and the larger metropolitan region were at a much less developed state. There has been an important and special relationship between Palo Alto and Stanford University. With this history, Palo Alto was somewhat notable for its development of self-sufficient resources and infrastructure. Over the next 25 years there will be many new challenges and opportunities that may behoove the city to explore more extensive regional cooperation and cost-sharing, possibilities for greater efficiencies and lower costs, and public/private partnerships for a variety of special projects.

Suggested pre-work for the July 14 retreat: to the extent there is an important relationship between a vision for the City of Palo Alto and the city's infrastructure (i.e., infrastructure enables the services critical to fulfill the vision of the city), please answer the following questions:

(i) how would you define the vision for the City of Palo Alto;
(ii) identify the top 3 services from the city you deem essential to such vision; and
(iii) explain what existing or new infrastructure would be required for your top 3 services.

Respectfully submitted \Mark

_____
Mark Michael

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650 380-1861 (c)

From: "Bob Stillerman" <bob@rsic.biz>
Date: July 6, 2011 1:48:35 PM PDT
To: "'Ray Bacchetti'" <raybac@earthlink.net>
Cc: "'Hackmann, Richard'"
<Richard.Hackmann@CityofPaloAlto.org>, "'Emslie, Steve'"
<steve.emslie@cityofpaloalto.org>, "'Leland Levy'"
<leland.levy@wfadvisors.com>, "'Mark Michael'"
<mark_d_michael@yahoo.com>, "'Greg Tanaka'"
<glt@alumni.caltech.edu>, "'Gary Wetzel'" <Garywetzel@aol.com>,
"'James Schmidt'" <james39@comcast.net>, "'Alex Panelli'"
<apanelli@yahoo.com>
Subject: RE: Minutes of the futures ad hoc working group
Reply-To: <bob@rsic.biz>

Thanks for the suggestions Ray.

I believe Mark expressed his view of the meaning of infrastructure in
the Above Ground Report to the Commission. Certainly no harm in
reiterating it in our final report.

With respect to the second point, I think it would be a good idea to
suggest to the Public Services and Public Safety WG to include
projections of what they expect to see in the future for those
projects. I see that in addition to a separate group focusing on the
complete set of current and future city assets needed to serve our
population.

Perhaps we are in agreement on these points.

Regards,

Bob Stillerman
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From: Ray Bacchetti [mailto:raybac@earthlink.net]   **Sent:** Wednesday,

July 06, 2011 11:28 AM   **To:** bob@rsic.biz   **Cc:** Hackmann, Richard; 'Emslie, Steve'; Leland Levy; Mark Michael; Greg Tanaka; Gary Wetzel; James Schmidt; Alex Panelli   **Subject:** Re: Minutes of the futures ad hoc working group

Bob:

Thanks for these notes. They capture a lot of what was talked about, but I want to suggest that they also should include, under "issues," mention of Mark Michael's point about our needing to articulate a "core meaning" of "infrastructure," which, for him, refers to the services the city delivers to its residents; and, under "discussions," the suggestion raised by several of those attending that there be a "futures" element in each working group's report instead of a section of the final report of the Commission devoted just to future questions or recommendations.

Ray

On Jul 5, 2011, at 8:39 PM, Bob Stillerman wrote:

1.   In attendance: Commissioners Bacchetti, L. Levy, Michael, Stillerman, Tanaka, Wetzel.
2.   Status of WG: The Futures WG has been formed as an interim working group. The IBRC will vote on whether to consider this one of the formal working groups at the 14 July commission meeting.
3.   Goals of the Futures Working Group (FWG): Contribute to the IBRC report by the following activities
a.   Leverage the prior committee work for prioritization of assets
b.   Take a forward look towards the city's infrastructure needs, esp based on desired services
c.   Assess how well the existing infrastructure meets the city's needs
d.   Identify trends (e.g. population growth, increase use of the

web) that suggest new strategies

e.   Put forth a set of goals (or possibilities) for the city to consider for optimizing its infrastructure for the future

f.   It was generally agreed that the IBRC should include a forward looking vision of CPA infrastructure in our deliverables.

4.   Issues

a.   The aging PA infrastructure demands large amounts of funds devoted to 'catching up' and 'keeping up.' This absorbs capital that would otherwise be available for new projects.

b.   The budget currently under consideration appears to only make a small allocation of funds to the 'infrastructure reserve fund' from which CIPs are funded annually.

c.   The current infrastructure plans don't appear to account for future trends.

5.   Other progressive cities:

a.   Cities such as Mt. View, who have much more modern buildings appear to have substantially less problems in keeping up with maintenance of their facilities.

b.   Progressive cities, such as Dublin, OH, Riverside, CA and others, offer a vision and plan for the future programs and services

c.   Such programs and services attract business investment and better serve their constituents than most cities.

6.   Discussions:

a.   We could identify no 'home' within the city staff where the future vision for the city in terms of services to be offered and enhanced, and future infrastructure needs are considered. The comprehensive plan is being updated, not redone; the planning commission is overloaded with current projects and issues. One of the recommendations of the IBRC from this FWG may be to create such a function within the city's organization.

b.   The output or deliverables from the FWG are not intended to postpone or delay any imminent needs of the city for infrastructure.

c.   It was generally agreed the there is a need for the Public Safety building, although there are policy decisions beyond the scope of the IBRC that are likely to drive the decision on what

form it will take (e.g. reorganization of police and fire, relocation of emergency medical services, separation of essential services, etc.)

d.   The deliverables of the FWG are likely to be presented as possibilities for the city to consider, instead of a fixed plan of what should be done.

e.   Another deliverable will be the process that the city uses for making such decisions.

f.   Best practices in managing city infrastructure should be within the purview of the Infrastructure management system WG.

g.   The Public Services Working group is considering uses of city assets and allocation of city services independently of ways those have been allocated in the past. That is consistent with the intention of the FWG.

7.   The attachments to these minutes were distributed at the meeting. The worksheet entitled, Service Matrix, offers a breakdown of current services offered by the city, the facilities in which each service is housed or offered, and an assessment of whether that part of the city infrastructure has special characteristics or use. It is intended that the spreadsheet be completed with the financial data associated with each part of our infrastructure to provide a monetary value associated with the services.

8.   Actions: (dates and people to be determined)

a.   Propose a set of deliverables for the FWG

b.   Develop a working plan to achieve those deliverables.

9.   Meeting adjourned at 6:50pm.

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<Services Matrix.xlsx>

The Surface Committee's final report will be distributed upon completion.

PRIORITIZATION OF
PALO ALTO'S INFRASTRUCTURE

The Blue Ribbon Infrastructure Commission has identified three aspects of the city's infrastructure on which we believe the city should focus. The first is development of a broad-scale Infrastructure Management System which will comprehensively identify the city's long and short-term maintenance and replacement needs and the funding gaps which are likely without remedial steps being taken. (The IBRC will recommend what those remedial steps should be.)

Second and thirdly are two large elements of infrastructure, Public Safety and the Municipal Services Center, which have been singled out by staff and consultants as requiring major renovation or replacement within the near term, requiring significant capital expense.

Beyond these two large-scale projects, Palo Alto has a wide variety of infrastructure types providing diverse community services. Following are the most widely-used prioritization criteria we have encountered. Within these criteria are additional sub-elements resulting in a range of prioritizing calculations. As a Commission, we have concluded that setting this range of calculations against the diversity of Palo Alto's community requirements and desires, would not result in priorities satisfactorily acceptable to the community as a whole.

General Prioritization Proposals

1. Building Components: Criticality in maintaining a facility's ability to function. (For example- Roofing 100; electrical 80; exterior paint 20.)

2. Importance to Overall City Functionality: (E.g.- Civic Center 100; fire stations 100; libraries 60.)

3. Number of persons affected
    a. City employees
    b. Members of the public
    c. Person-hours of use

4. Cost-effectiveness
    a. Future savings
    b. Access to grant funding, private participation, etc.
    c. Revenue-generating potential

5. Mitigation of Health and Safety Risks
        On-going
        Emergencies

6. Legal Requirements

7. Mitigation of Legal Liability

8. Value to, or need by, special groups: Youth, Seniors, Disabled, Disadvantaged, etc

9. Historical Significance

9. Public demand
    a. Broad-scale
    b. Neighborhood
    c. Unique interests

11. Aesthetics

G

<u>IBRC CALENDAR</u>

July 18: Council Work Session

July 28: IMS Working Group oral report

August 11: Public Safety oral report

August TBD: Meeting with Planning &
     Transportation Commission

August 25: MSC oral report

September 8: Finance oral report

September 22: Discuss Final Report

October 3 (Monday): Working Session with Council

October 6: Organize writing of Final Report

October 20: Rough Draft

November 3: Not-Quite-So Rough Draft

November 17: Final Draft

December 8: Discuss and Amend Final Report

December22: Distribute Final Report

7-11-2011