TO: HONORABLE CITY COUNCIL

FROM: CITY MANAGER DEPARTMENT: PUBLIC WORKS

DATE: APRIL 8, 2002 CMR:198:02

SUBJECT: RESOLUTION AUTHORIZING THE CITY MANAGER TO APPROVE AND MANAGE PROGRAM SUPPLEMENTS TO THE MASTER AGREEMENT BETWEEN THE STATE OF CALIFORNIA AND THE CITY OF PALO ALTO FOR THE HOMER AVENUE CALTRAIN UNDERCROSSING PROJECT; ADOPTION OF A MITIGATED NEGATIVE DECLARATION AND PROJECT APPROVAL; AND REPORT ON SCHEDULE AND FUNDING STATUS FOR THE HOMER AVENUE CALTRAIN UNDERCROSSING, CAPITAL IMPROVEMENT PROGRAM PROJECT 10121

RECOMMENDATIONS
Staff recommends that the City Council:

1. Adopt the Mitigated Negative Declaration and approve the Homer Avenue Caltrain Undercrossing Project (Attachment A) finding that, on independent review of the Mitigated Negative Declaration and any public comments, there is no substantial evidence that the project will have a significant effect on the environment in consideration of the environmental mitigations and the program for reporting on or monitoring these mitigation measures contained in the Mitigated Negative Declaration;

2. Adopt the Resolution authorizing the City Manager to execute the Program Supplements to the Master Agreement between the City of Palo Alto and Caltrans for federal-aid project, relating to the Homer Avenue Caltrain Undercrossing Project, CIP 10121(Attachment B);

3. Approve the skewed alignment, Alternative A, as identified in the 30% design cost estimate and Site Plan (Attachment C).

BACKGROUND
In November 1998, a feasibility study by Steven Grover and Associates evaluated three railroad-crossing alternatives in the vicinity of Homer Avenue. The alternatives were: (A) an at-grade crossing, (B) a bridge and (C) an undercrossing. The preferred
alternative was an undercrossing, which provided the necessary accessibility and safety while offering the best reduction in time travel for cyclists. In March 2000, the City Council adopted the South of Forest Area (SOFA) Coordinated Area Plan that identified specific policies relating to bicycle and pedestrian circulation in and around the study area. In December 2000 (CMR:441:00), the City Council accepted $2.3 million in federal and state grant funds for the Homer Avenue Caltrain Undercrossing project. In April 2001 (CMR:205:01), the City Council approved the Disadvantaged Business Enterprise (DBE) program that provides eligibility to accept this funding, administered by the California Department of Transportation (Caltrans). In May 2001, the City received authorization from Caltrans to begin the preliminary engineering phase of the project. In July 2001 (CMR 298:01), the City Council approved a consultant contract with Nolte Associates, Inc. (Nolte) for 15% design services and directed staff to refine the project cost estimate before proceeding further with the project. In December 2001, the City was awarded an additional $150,000 in grant funds for the project from the VTA. In January 2002 (CMR107:02), the City Council approved an amendment to the consultant contract with Nolte to complete the design, right-of-way and construction documents for the skewed alignment with an easterly portal at the Homer Avenue and Alma Street intersection and the westerly portal centered on the “star plaza” landing developed by the Palo alto Medical Foundation (PAMF). The project is on an accelerated timeline in order to safeguard the funding. State grant funding must be obligated for the construction phase no later than June 30, 2002. Federal funding must be obligated by September 30, 2002.

**DISCUSSION**

In January 2002, the City Council was asked to proceed or not to proceed with the project due to the grant funding time constraints, funding shortfall and possible delays caused by outside agency approvals. The City Council directed staff to proceed with the project and provide a status report on the schedule and funding. Staff is reaffirming the Council’s action to proceed with the project by recommending the City Council to adopt the Mitigated Negative Declaration and approve the project.

During the 15% design phase, the cost estimates for the alternatives ranged from $4,059,858 to $4,814,658. The costs varied due to the method of construction and type of structure used. At that time, staff and Nolte preferred the least expensive option that included precast concrete units, stairways, ADA-compliant ramps, landing areas, portal treatments, lighting and landscaping. During the development of the 30% design, Nolte, staff and the Penninsula Corridor Joint Powers Board (PCJPB) agreed that “the cut and cover” method (Alternative C) was extremely difficult due to the complexity of utility relocations, staging of the construction equipment, the large excavation needed to provide access for the precast units and removal and replacement of the railroad tracks to be completed in a 40 hour window allotted during the planned Caltrain weekend shutdowns.

Since the funding requires an accelerated project schedule and due to the difficulties of the approval process by the different agencies involved, staff and Nolte agree that the overall project schedule can not be met if a precast “cut and cover” construction method
is used. Therefore, the secant pile construction method is recommended.

Staff had design review meetings with the Planning & Transportation Commission, Public Art Commission, Palo Alto Bicycle Advisory Committee (PABAC), and the Architectural Review Board (ARB). The board and commission comments and ideas generated as part of the 30% design focused on the safety, lighting, tree placement, art and circulation. During the ARB public hearing, one speaker from the Palo Alto Medical Foundation wanted to be notified in advance of pile driving construction. Notification will be required and provisions will be included in the construction documents. To mitigate the visual impact of removing trees along Alma Street, the ARB specified that plans for art, architecture, lighting and landscaping/reforestation plans are included as a mitigation measure and the plans be incorporated into the final design.

Public art will be integrated into the architecture and any enhancements beyond the basic (safe and functional) design will be identified. Lighting and miscellaneous items will provide a safe and functional facility. In July 2002, Council will have the option to select additional enhancements beyond the basic (safe and functional) design as recommended by the ARB and Public Art Commission. Council would then need to authorize funding for any shortfalls between the project cost and the grant funds already committed.

The proposed undercrossing calls for the installation of crosswalks on Alma Street between the undercrossing plaza and the sidewalks on Homer Avenue, and on Homer Avenue. In addition, the traffic signal will be modified to include pedestrian walk lights and pedestrian push buttons, and a new eastbound signal phase for pedestrians and bicyclists. The Transportation Division and the Police Department have identified important circulation issues based upon the existing conditions of the intersection and the proposed improvements. As part of a traffic signal modification project, the traffic signal design will be developed further in the final design phase and will be coordinated through the Transportation Division and Police Department. Ramping and stairways will need to be developed further in this final design phase. Also, the raising of the tracks by approximately 1-foot is preferred to reduce the ramp length and to provide a safe, inviting and a more visible undercrossing. The total estimated project costs would increase to $4.9 million due to the cost of raising the railroad tracks and the decision to use the secant pile construction method.

Status of Funding and Timeline
There is currently a funding shortfall of approximately $1.4 million. This is due to: 1) the original funding request being based on construction cost only and thus being insufficient to cover design and other project costs; 2) the PCJPB proposing a fourth track (elongating the original tunnel structure by 20 feet) to accommodate the future electrification of the rail lines; 3) the change from a precast structural system to a secant pile system. During the months of February and March 2002, staff obtained an additional $675,000 in grant funds. This increases the total federal and state grant funding accepted for the project to $3.1 million, and another $350,000 is committed from the Palo Alto Medical Foundation and Sheraton Hotel mitigation fees upon commencement of construction for a total of $3.5 million.
The committed funding sources and deadlines for this project are as follows:

1. $2,035,000 Federal Transportation Equity for the 21st Century (TEA-21) grant funds, with deadline for approval of plans, specifications and right-of-way agreements of September 30, 2002

2. $263,810 State Transportation Improvement Program (STIP) funds, with deadline for Metropolitan Transportation Commission (MTC) authorization to proceed with construction of June 30, 2002

3. $300,000 PAMF and $50,000 Sheraton Hotel local development mitigation fees payable upon commencement of construction of the project

4. $325,000 Transportation Fund for Clean Air (TFCA) Program Manager funds from VTA

5. $500,000 Tier 1 bicycle plan funds from VTA Federal Transportation Enhancements (TEA) program

Staff has identified possible funding sources for the City to significantly reduce or eliminate the $1.4 million shortfall. The City will need to commit its own funds of $167,280 in order to leverage the significant level of TLC grant funds noted below. Staff is pursuing the grant funding as follows:

1. $200,000 Transportation Development Act (TDA) funds from VTA (in progress)

2. $1,291,130 Transportation Fund for Livable Communities (TLC) from MTC stipulating that a City local match contribution is 11.5% ($167,280). Grant application was submitted to MTC in March 2002.

3. Funding through the Governor’s economic stimulus package and State Bicycle Transportation Fund monies available upon adoption of the Bicycle Plan

4. City made a request through its congressional representatives for an $800,000 earmark in the FY 2003 Federal Transportation Appropriations Bill under the Transportation and Community and Systems Preservation Account (TCSP)

According to VTA and MTC staff, the first funding source is highly probable, the second is highly competitive, the third and fourth are speculative.

An extension request for the committed state funds would be possible, since this would allow state and federal deadlines to coincide with the September 30, 2002 deadline. Staff must request an extension from the California Transportation Commission; the extension would be justified due to design for an additional track not previously considered at the
time of the grant request. No funding extensions are available on the committed federal funds for this project. To date, MTC has maintained a strict “no extensions” policy with every recipient of federal TEA-21 funds.

Completing design of the project by the September 30, 2002 deadline represents a significant challenge for the City. Caltrans must approve plans, specifications and right-of-way certification for the project by September 30, 2002. Caltrans has requested final documents eight weeks instead of six weeks ahead of the deadline or approximately August 1, 2002. Approvals are needed from Caltrans, the PCJPB, California Public Utilities Commission, Union Pacific Railroad and telecommunication companies. The project also involves the relocation of two fiber optic duct banks with cables owned by four separate telecommunications companies. Staff and Nolte will meet with the telecommunication companies next month and provide additional design work as needed for these entities to review and approve plans for the project. Design work will be completed on schedule using the secant pile system, thus allowing review and approval by outside agencies is more certain. Caltrain staff is assisting and facilitating the City’s efforts to obtain these approvals.

**RESOURCE IMPACT**

The resolution will allow staff to begin the reimbursement of federal and state funds by Caltrans through a Program Supplement Agreement. Reimbursement will commence after certification of the environmental review. Future financial impacts are unknown but could be $1.4 million, since there are financial risks for unmet deadlines and the potential for additional grant funding not being secured. This is a new infrastructure project without predetermined internal funding.

**POLICY IMPLICATIONS**

This project is consistent with existing City policies, including the Comprehensive Plan the SOFA Coordinated Area Plan, and the draft bicycle plan.

**TIMELINE**

The City will include additional design details and project requirements into the final contract documents after the public review process in June and will provide a project update to the City Council in July 2002. To date, the City remains on schedule to complete the following milestones:

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<tr>
<th>Milestone</th>
<th>Timeline</th>
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<tr>
<td>ARB, Art Commission, PABAC and Planning Commission Review of 30% Plans, Specifications and Estimate (PS&amp;E)</td>
<td>April 2002</td>
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<tr>
<td>Complete CEQA process</td>
<td>May 2002</td>
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<tr>
<td>ARB, Art and PABAC Review of 80% PS&amp;E</td>
<td>June 2002</td>
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<tr>
<td>Council review 80% PS&amp;E, project status &amp; funding update</td>
<td>July 2002</td>
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<tr>
<td>Right-of-way Certification by Caltrans</td>
<td>July 2002</td>
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<td>Submit 100% PS&amp;E to Caltrans</td>
<td>July 2002</td>
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<tr>
<td>NEPA Environmental Certification by Caltrans &amp; FHWA</td>
<td>July 2002</td>
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<tr>
<td>Final Caltrans Certification of Project Plans</td>
<td>September 2002</td>
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ENVIRONMENTAL REVIEW
This project is subject to the requirements of the California Environmental Quality Act (CEQA) and the National Environmental Policy Act (NEPA). For NEPA, a Preliminary Environmental Study and supplemental studies requested by Caltrans were submitted to Caltrans in January 2002. Caltrans and FHWA review and approval is now expected to be complete by the end of July 2002. The CEQA Mitigated Negative Declaration was circulated for a 30-day review period beginning February 27 and ending March 29. The notice for this review period included a statement that only written comments would be accepted in accordance with CEQA guidelines. Written comments received prior to the end of the review period are attached to and commented on in the Mitigated Negative Declaration (Attachment A).

ATTACHMENTS
Attachment A: Mitigated Negative Declaration
Attachment B: Resolution
Attachment C: 30% Cost Estimate and Site Plan

PREPARED BY:____________________________________________________
ELIZABETH AMES
Senior Engineer

__________________________________________________
JOSEPH KOTT
Chief Transportation Official

DEPARTMENT HEAD:______________________________________________
GLENN S. ROBERTS
Director of Public Works

CITY MANAGER APPROVAL:_______________________________________
EMILY HARRISON
Assistant City Manager

cc: Chamber of Commerce
   SOFA Working Group
   Palo Alto Bicycle Advisory Committee
   Darryl Maxey, Peninsula Corridor Joint Powers Board
   David Jury, Palo Alto Medical Foundation
   City School Traffic Safety Committee
   David Neuman, Stanford University