

Minor, Beth

From: Rice, Danille
Sent: Friday, September 13, 2019 2:11 PM
To: ORG - Clerk's Office; Council Agenda Email; Council, City
Cc: ORG - Manager's Office; Stump, Molly; Kamhi, Philip; Batchelor, Dean; Eggleston, Brad
Subject: September 16 Council Agenda Consent Questions for Items 3, 4, and 5

**Council Question Response**

Dear Mayor and Council Members:

On behalf of City Manager Ed Shikada, please find below the staff responses to inquiry made by Council Member Tanaka in regard to the September 16, 2019 Council Meeting agenda.

Item 3: Contract Approval for On-Call Emergency and Critical Construction Services**1. Has the city ever worked with Monterey Mechanical Company? Do other local cities work with them?**

Yes, the Public Works and Utilities Departments have had a total of 11 contracts with Monterey since 2004 with work totaling \$3.8 million. Monterey also constructed the \$6.5 million incinerator rehabilitation project for the WQCP in 1999. Monterey has been awarded the RWQCP's last two On-Call Emergency Construction Contracts. Monterey has successfully completed industrial construction work of a complex nature for the City. On past projects, Monterey has been responsive when needed to perform regular, urgent, and emergency work.

In addition to the City of Palo Alto, Monterey Mechanical had or currently has Service and Emergency/Critical Construction type contracts with many municipalities and public service companies including City of San Jose, City of Sunnyvale, San Francisco Public Utilities Commission (SFPUC), East Bay Municipal Utility District (EBMUD), Valley Water, City of San Mateo, and Zone 7 Water Agency (Alameda County). Monterey also performs emergency and maintenance contract work for many industries in the private sector.

2. How does this compare to the rates of other cities' emergency and critical construction services?

Monterey Mechanical is a mid-sized industrial contractor and metal fabricator. Monterey is registered with the California Department of Industrial Relations (DIR) and pays prevailing wages to its employees as required by the City. In September 2016, Valley Water compared the performance of Monterey to other firms. Based on that review, Valley Water issued an on-call emergency response contract to Monterey Mechanical that has been in place since that time. Staff reviewed the rates paid to Valley Water and found they are similar to the rates used for Palo Alto's contract. Staff reviewed the internet for other contracted rates, but the rate sheets for other agencies were not readily available.

Item 4: 2016 Measure B Local Streets and Roads Funding Agreement**1. How much of this money goes to LSR?**

The Local Streets and Roads funding pot is intended for road surface items such as planning, maintenance, reconstruction, minor enhancements, and preservation. The Measure B LSR program guidelines allow for cities to use the funds for congestion-relieving projects and programs if a city's road system is in good

condition. Because Palo Alto’s Pavement Condition Index (PCI) is above 70, Palo Alto can opt not to use this funding source for pavement management or road reconstruction.

2. How much money has Palo Alto and other cities received from Measure B?

Palo Alto has not yet claimed any of these funds as there is no funding agreement. Once the funding agreement is fully executed, Palo Alto can claim reimbursement for qualifying projects. The estimated amounts that Palo Alto can claim once the funding agreements are signed and Palo Alto submits documentation for project reimbursements are as follows:

	FY18	FY19	FY20	FY21
Palo Alto	\$ 1,273,986.00	\$ 1,273,986.00	\$ 1,277,615.49	\$ 1,277,615.49

3. What determines the allocation of funding?

The annual amount is determined by a formula based on the population of the jurisdiction and the amount of sales tax received by VTA.

4. What will be done with the \$1.2 million that is being allocated each year?

Initially, the City expects to use these funds for the Connecting Palo Alto grade separation planning and outreach process. However, the program guidelines allow for these funds to be used for a variety of congestion relief projects and programs, such as intersection improvements, traffic signal system upgrades, transit improvements, bicycle facility projects, bikeshare projects, and shuttle capital and operations. The Capital budget assumes that Measure B funding will be expensed for the following CIP projects:

- PL-17001 Railroad Grade Separation: Measure B (\$1M)
- PL-05030 Traffic Signal and Intelligent Transportation System Upgrades: Measure B (\$300k)

5. How much has Palo Alto paid with the sales tax?

The City does not have this data. As Measure B is a District Tax, it’s not currently possible to track the tax paid that is attributable to sales and purchases in the city. In general, sales within Palo Alto represent about 7.5% of sales tax generated countywide.

Item 5: NVCAP: WRA Environmental Contract

1. Is there a guarantee that the project will finish in time? Is this project safe?

The subject contract represents one component of the larger NVCAP project. Staff anticipates meeting the project timeline for this discrete work to study Matadero Creek and will continue to provide project management oversight of the larger NVCAP process.

2. What would Matadero Creek be used as in the future (more specifically)? Green space includes parks, community gardens, and cemeteries; Schoolyards; Playgrounds; Public seating areas; Public plazas; Vacant lots

How Matadero Creek gets integrated into the larger NVCAP study is yet to be determined and will be informed in part by the WRA contract. The NVCAP working group will provide some direction, which will be refined through a public process that involves community meetings and other forums before applicable City boards and commissions, as well as the City Council.

Thank you.



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