

Infrastructure Blue Ribbon Commission  
AGENDA  
Thursday, September 6, 2012  
Lucie Stern Community Center  
1305 Middlefield Road, Community Room  
Time: 5:00 – 7:00 p.m.

**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 5:30pm.

1. Call to order
2. Staff presentation on infrastructure action taken in 2012 (**Attachment A**)
3. Review of the draft work plan for a possible 2014 infrastructure ballot measure
4. IBRC discussion and questions
5. IBRC's role in a possible 2014 ballot measure
6. 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 5:30 p.m.
7. Adjournment

ADA. Persons with disabilities who require auxiliary aids or services in using City facilities, services, or programs or who would like information on the City's compliance with the Americans with Disabilities Act (ADA) of 1990, may contact (650) 329-2550. Sign language interpreters will be provided upon request with 72 hours in advance notice.

*Meeting materials will be provided at the meeting. Visit [www.cityofpaloalto.org/ibrc](http://www.cityofpaloalto.org/ibrc), email [ibrc@cityofpaloalto.org](mailto:ibrc@cityofpaloalto.org) or call (650) 617-3174 for more information.*





CITY OF PALO ALTO  
MEMORANDUM

A

**TO:** Infrastructure Blue Ribbon Commission  
**FROM:** Richard Hackmann  
**DATE:** September 6, 2012  
**SUBJECT:** Infrastructure Blue Ribbon Commission's Report

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In an on-going effort to keep the Infrastructure Blue Ribbon Commission (IBRC) informed, staff is providing an update on the status of the City Council's discussions and actions to date, and the next steps on the IBRC's recommendations. Staff will provide additional verbal updates on the status of projects and other IBRC recommendations not covered in this report at the meeting this Thursday, September 6, 2012.

As you are aware, IBRC released its report to the Palo Alto City Council and the public on December 22, 2011. Since the release of the report, the City Council held four retreats to focus on infrastructure and deferred some items to Council's Policy and Services Committee. The following provides a summary of the public meetings that have been conducted since the release of the report and the City Council's key decisions.

**[January 17, 2012 Council Meeting](#)** – The City Council first discussed the IBRC report at their January 21, 2012 City Council meeting. The IBRC co-chairs provided an overview and discussed the report findings and recommendations. The City Council acknowledged the IBRC for their outstanding work and discharged the Commission from their official duties. Discussions between staff and Council were deferred to the Council's Annual Retreat. [01/17/2012 Meeting Minutes](#)

**[January 21, 2012 City Council Retreat #1](#)** – The City Council discussed Council Priorities for 2012, topics for future Council Retreats, and the IBRC's Report findings, recommendations, and next steps. Staff provided responses to Council questions raised at the January 17, 2012 meeting. The Council decided to schedule three additional Council retreats in addition to regular meetings with a focus on infrastructure and next steps on the IBRC recommendations, and agreed the future of the Cubberley Community Center would be made by and through the established Cubberley process with the Palo Alto Unified School District, and integrated by staff into infrastructure process and discussion. Council further directed staff to return to Council with a revised Public Safety Building Plan, information on the disposition of the downtown Post Office and any other potential sites for a public safety building, and additional information on funding options for the IBRC recommendations. [01-21-2012 Meeting Minutes](#)

**[March 26, 2012 City Council Retreat #2](#)** – The City Council held its second retreat for further discussion on infrastructure and renewal. Staff sought direction on revenue generating uses for Bayshore sites, the City's service delivery model for animal service, and utilization of the Municipal Services Center site (MSC). The Council also continued discussions on finance options

to fund infrastructure needs. The Council referred to the Council's Policy & Services Committee continued discussions on animal services and potential infrastructure funding options for the November ballot. However, given the near term timeliness of funding options for a revenue measure for the November 2012 general election, the Council resumed discussions on funding options at its retreat on April 30, 2012. Discussions on animal services proceeded through the established budget process. [03-26-2012 Meeting Minutes](#)

**[April 30, 2012 City Council Retreat #3](#)** – The City Council held its third retreat for further discussion on investment and renewal. Staff presented additional information on catch-up, keep-up, new projects, prioritization and the timing of a 2012 election schedule and answered questions. No Council action was taken.

Through the FY 2013 budget process, the City Council approved a \$449,105 reduction to the net cost of Animal Services to the City. Staff sought feedback from a Citizen Stakeholder Group to discuss and determine how best to reduce the budget, increase revenues and engage in partnership while still providing the high level of service the community has experienced in past years. Through this process, staff developed a proposal to achieve the budget reduction with on-going, structural expenditure reductions, fee revenue increases and the one-time use of donation revenue. Additional cost reduction strategies will be evaluated in future budget cycles.

**[May 8, 2012 Policy & Services Committee Meeting](#)** - The Committee continued discussions on tax funding options for the November general election related to infrastructure needs. Staff also provided the Committee with Best Practices for Successful Finance Measures prepared by the League of California Cities. The Policy & Services Committee recommended that the City Council: 1) not place a bond measure or other revenue measure on the November 2012 General Election, 2) direct staff to start planning for a 2014 election, 3) direct staff to develop a detailed plan and timeline for a 2014 election to include financial considerations, identification of potential assets to be constructed or remodeled, appropriate polling and identification of potential revenue sources, and to bring the plan and timeline to Council for approval by September 1, 2012, and 4) direct staff to include the identification of potential projects and the estimated costs as the first task accomplished under the timeline.

**[May 21, 2012 City Council Meeting](#)** – The City Council discussed the Policy and Services Committee's May 8<sup>th</sup> recommendations and directed staff to develop a detailed plan and timeline for a 2014 election to include financial considerations, identification of potential assets to be constructed or remodeled, appropriate polling and identification of potential revenue sources, and to bring the plan and timeline to Council for approval by September 2012, and to include the identification of potential projects and the estimated costs as the first task accomplished under the timeline.

**[June 13, 2012 City Council Retreat #4](#)** - The City Council held its fourth retreat on infrastructure and renewal. Staff presented and Council discussed four potential development and cost scenarios for the public safety building, and potential projects for further analysis for a

potential 2014 revenue measure(s). Council Members' provided their preliminary thinking on project priorities.

In addition, on June 18, 2012 through the FY 2013 budget process, Council added \$2.2 million in additional funding to the Capital Budget to begin to address some of the IBRC recommendations.

### **Current Status**

Currently, the City Council is scheduled to consider staff's recommendations for the plan and timeline for potential infrastructure finance measure(s) for the 2014 ballot at their September 18, 2012 Council meeting. Staff anticipates advancing a number of recommendations for Council consideration including a list of potential projects, their estimated cost, and various funding options.

We anticipate advancing several recommendations to retain professional expertise and advisors to assist the City in developing a communication strategy, provide financial advice, and conduct public opinion research. Staff has proceeded with a request for proposals for the services of a public opinion research polling firm. We expect that Council will make the decision on award of the contract at the end of October.



# 2012 Infrastructure Action

IBRC Update Meeting

September 6, 2012



1

# 2012 Infrastructure Action

- Infrastructure Management System (IMS)
- Major New & Replacement Projects
- East of Bayshore Site
- Streets & Sidewalks
- Catch-up & Keep-up Work
- Pop-up Projects
- Status of IBRC Final Report Recommendations



2

## Infrastructure Management System (IMS)

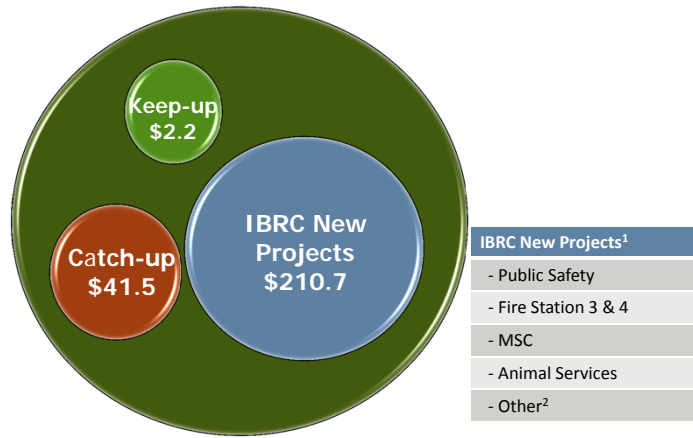
- Budgeted for FY 2013
- PW Dept. team evaluating options
- Evaluating the capabilities of the City's current SAP system vs. other IMS systems
- RFP for a new system could be released as early as Dec. 2012

## Major New & Replacement Projects

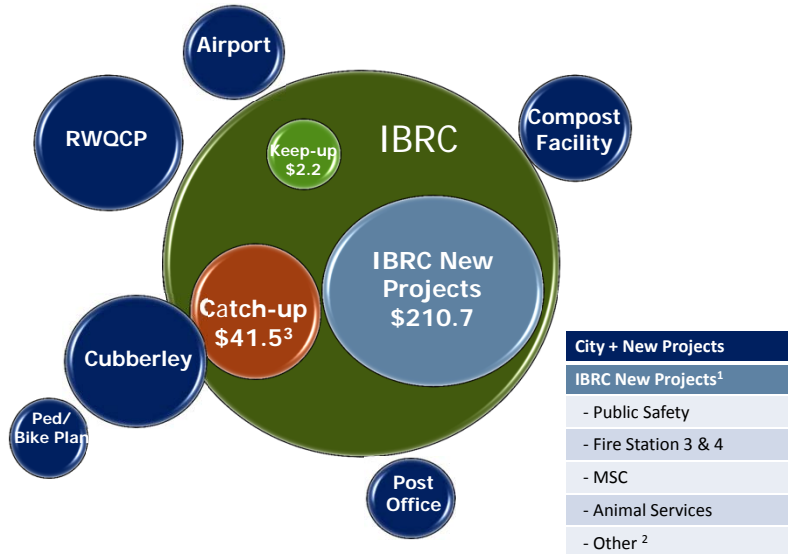
- Council has held 4 retreats discussing the IBRC recommendations
- Currently working on prioritization
- Council included IBRC projects in their evaluation along with other non-IBRC projects



# IBRC Recommendations



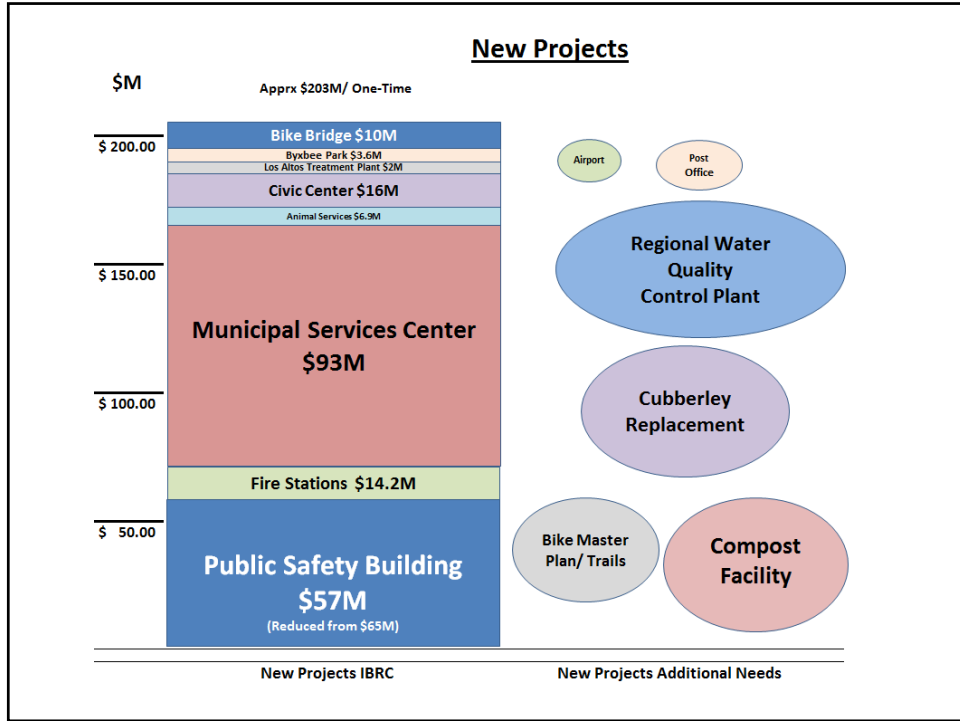
<sup>1</sup> IBRC listed with no assumed timeframe for implementation; IBRC recommendations intentionally excluded enterprise funds  
<sup>2</sup> Civic Center, LA Treatment Plant, Byxbee Phase II, 101 Bike/Pedestrian Bridge



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<sup>3</sup> \$4.2M annual catch-up over 10 years



## East of Bayshore Site

- Budgeted for FY 2013
- Staff is working on the draft scope for a consultant study
- \$93 M figure will be reevaluated as part of that study to see where cost savings can occur
- Revenue generating options including the repurposing of portions of the site are being evaluated

## Streets & Sidewalks

- 36 lane miles repaved in 2012 out of 470 total
- 3-year PCI average raised from 74.2 to 76.5
- Obtained \$2.3 million in grants in addition to regular \$3.7 million funding
  - \$900K HSIP grant for San Antonio
  - \$900K HSIP grant for Alma
  - \$549K STP grant for Lytton and Channing
- Sidewalks budget increase of \$80K increased work completed



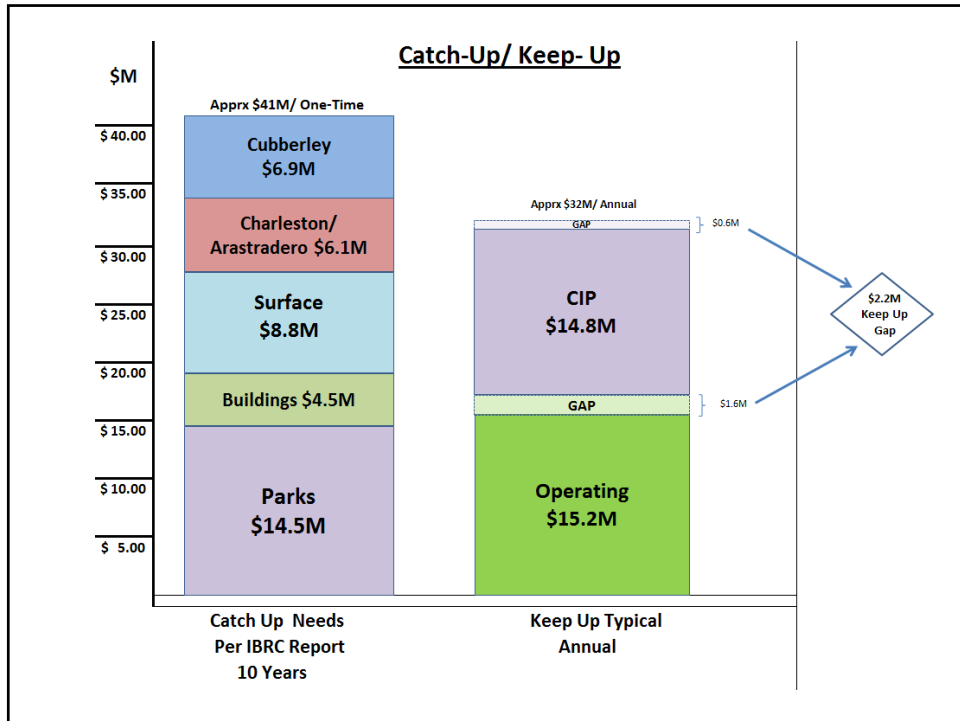
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## Catch-up & Keep-up Work

- Council added \$2.2 M to the FY 2013 Capital Budget to help address the IBRC funding recommendation



10



## Pop-up Projects

1. Highway 101 Bike Bridge & Trail Program
2. Magical Bridge Playground
3. Post Office

## Highway 101 Bike Bridge & Trail Program

- On Sept. 4 Council gave staff approval to apply for \$10.4 M in County grants for a bike bridge and trail program
- Additional undetermined City contributions will be need for the bridge and trails
- IBRC estimated the bridge cost at \$10 M but did not include a cost estimate for the remainder of the bicycle master plan



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## Magical Bridge Playground

- City Budget: \$300,000
- Private Funds: \$1.3 (+)
- **Total:** \$1.6 M (+)



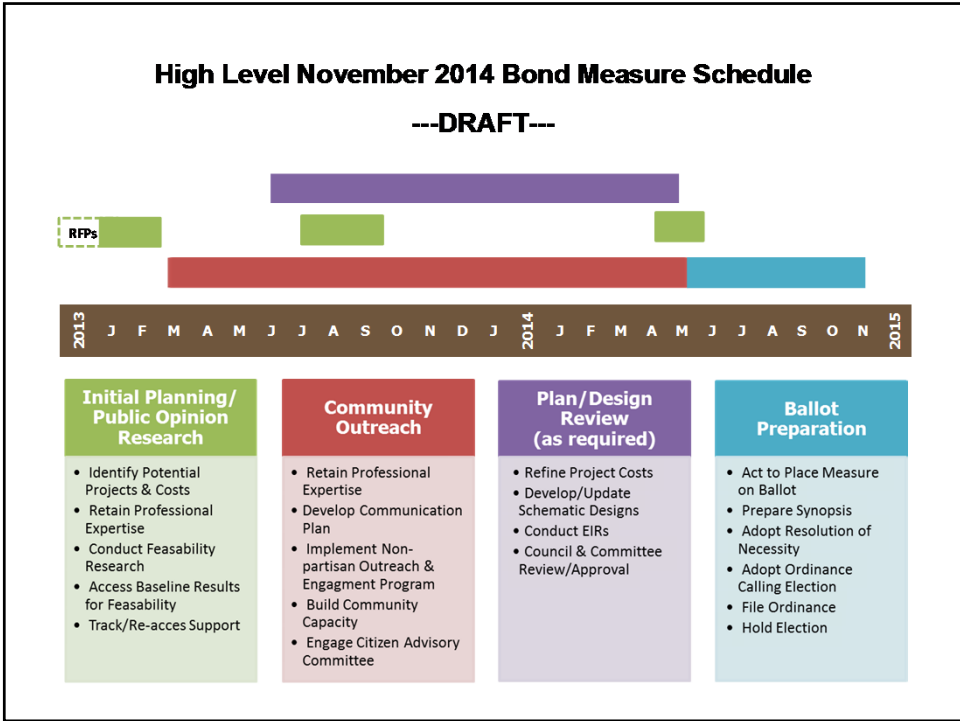
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## Post Office

- City completed historical analysis, structural analysis, and appraisal of the site
- In discussion with USPS on a possible sale

## Status of IBRC Recommendations & Next Steps

- Council continues its infrastructure discussions on IBRC recommendations
- Council directed staff to develop a plan and timeline for a potential infrastructure revenue measure for the November 2014 election
- Council consideration tentatively set for September 18
- Seeking IBRC input on components of draft plan & discussion on IBRC's continued role



# 2012 Infrastructure Action

IBRC Update Meeting

September 6, 2012



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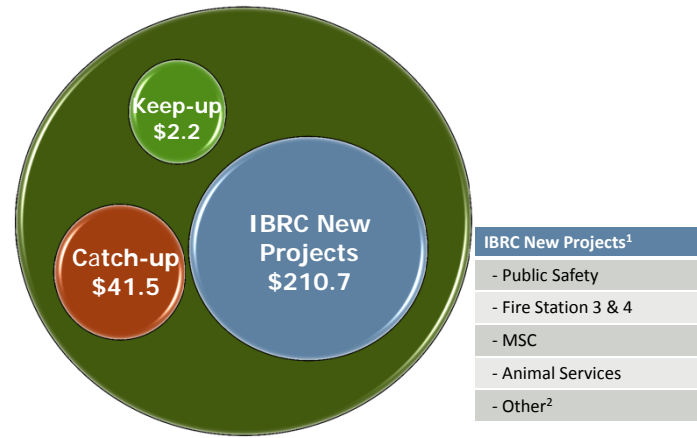
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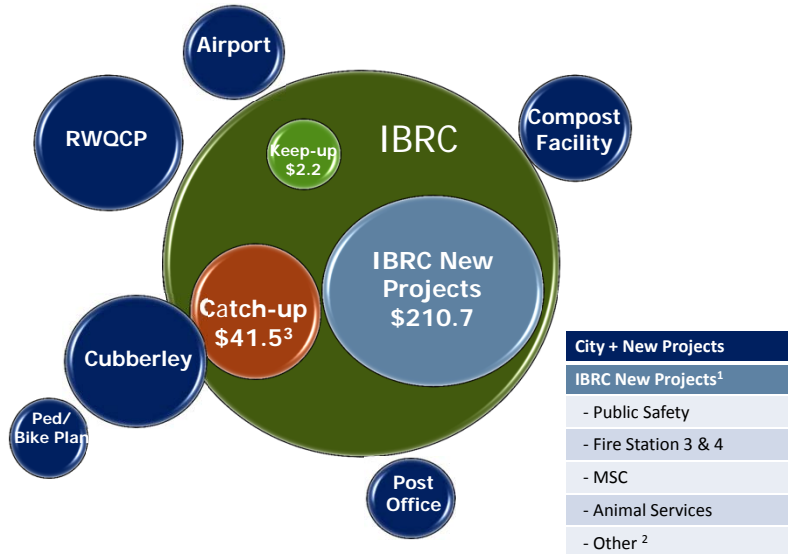
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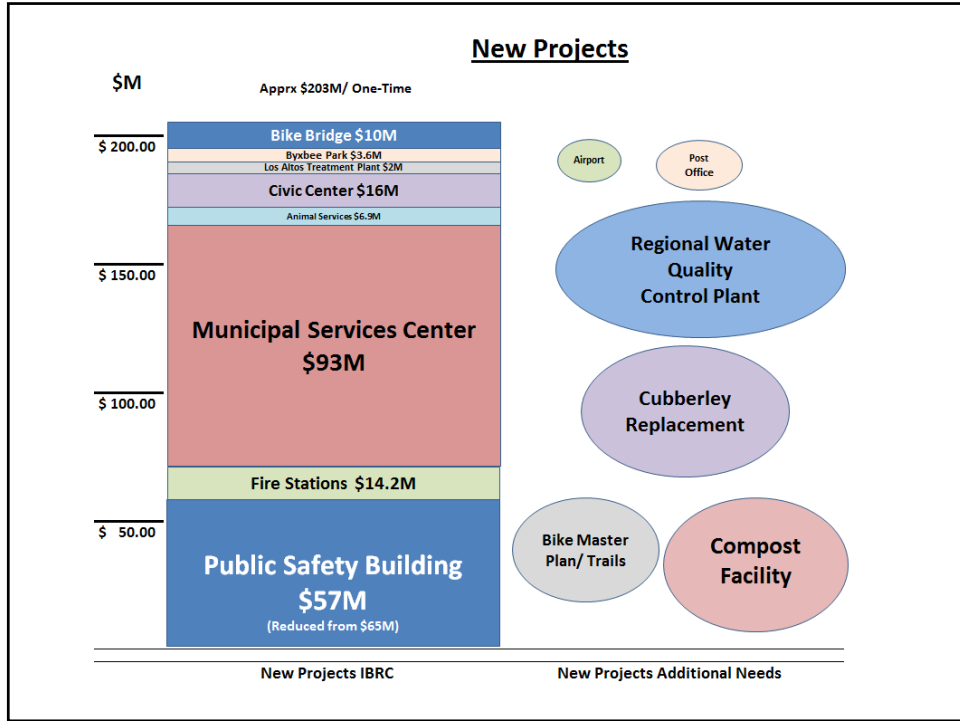
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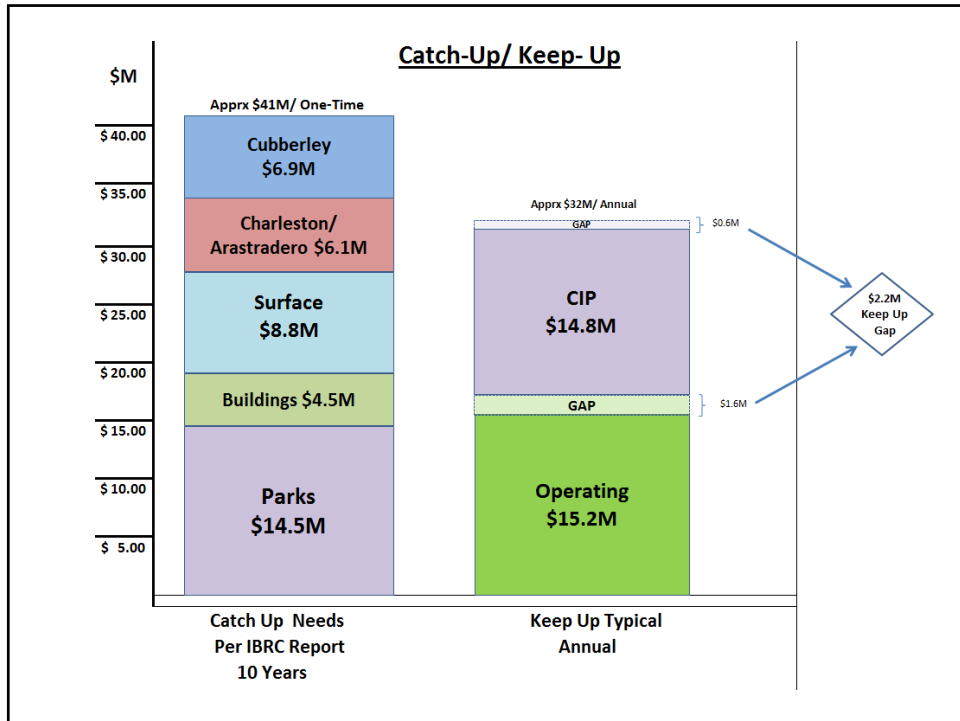
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