



**Council Meeting: September 30, 2008**

**SUBJECT: Acceptance of Donation from Kaiser Permanente for Funding of a Traffic Study and Approval of Budget Modification No. 10**

**REPORT IN BRIEF**

The City has received an offer of donation of \$ 46,530 to fund the completion of a traffic study of access alternatives to the Kaiser Santa Clara Medical Center facility. Kaiser Permanente and others requested that a study be completed to consider allowing left turns out of the Santa Clara facility onto Homestead Road. The City Council, as part of its 2008 Study Issues process, approved a study (contingent upon funding from Kaiser Permanente) of access alternatives, including allowing left turns out of the facility onto Homestead Road. The study issue paper is included as Attachment A.

**EXISTING POLICY**

Council Policy Manual: Allow the solicitation of donations, contributions and sponsorships to support City programs, events and services.

For donations, contributions or sponsorships with values \$35,000 or more, as estimated by the donor, a Report to Council will be written outlining its purpose and the advantages and disadvantages of accepting the gift. The gift shall not be accepted until City Council has approved its acceptance. For monetary donations, it will be stated in the Report to Council if the gift is a one-time contribution for a specific purpose or a contribution where the principal could be invested and the interest used to support all or part of a special project or program for a number of years.

The City will not undertake sponsorships or accept contributions that:

- A. Require the City's written or spoken endorsement of commercial products, services, companies or individuals;
- B. Limit the City's ability to carry out its functions fully and impartially;
- C. Result in additional ongoing operating costs for which a funding source has not been identified and approved by Council;
- D. Restrict access to the City's event by the widest audience possible;
- E. Personally benefit individual City employees;
- F. Result in conflicts of interest;

- G. Expect City staff or policy makers to return the favor through action on a City program or policy (recognition appropriate to the level of contribution would not be considered as “returning the favor”);
- H. Result in repeated solicitations from the same donor;
- I. Give a sponsor influence over the City and/or access to restricted information;
- J. Involve an association with gambling, tobacco, or pornography; or
- K. Imply City endorsement of political or religious views, or of contentious community issues.

Land Use and Transportation Element C3.1.4, Study and implement physical and operational improvements to optimize roadway and intersection capacities.

### **DISCUSSION**

The City’s Administrative Policy lays out procedures for accepting donations. This donation falls within acceptable practice as stated by the Administrative Policy. The proper administrative procedures have been followed governing acceptance of the funds.

The City Council approved a 2008 study issue to examine alternatives for access to the Kaiser Permanente Santa Clara Medical Center. The Center is located on the border of Sunnyvale and Santa Clara on Homestead Road. The study issue was contingent on Kaiser Permanente providing funds to complete the study. Staff issued a request for quotations for traffic engineering services to complete the study. This resulted in a determination that completing the study would require \$46,530 in funding. Kaiser recently indicated that they are willing to provide the necessary funds to complete the study (donation letter, Attachment B).

### **FISCAL IMPACT**

Approval of this budget modification has no net fiscal impact to the City, as all expenditures related to the completion of this study will be covered by the Kaiser Permanente donation. Budget Modification No. 10 has been prepared to accept a \$46,530 donation from Kaiser Permanente and appropriate it a new project for the traffic study of access alternatives to the Kaiser Santa Clara Medical Center facility.

**BUDGET MODIFICATION NO. 10  
 FISCAL YEAR 2008/2009**

<u>General Fund</u>	<u>Current</u>	<u>Increase (Decrease)</u>	<u>Revised</u>
<b>Revenues:</b>			
Kaiser Permanente Donation	\$ 0	\$ 46,530	\$46,530
<b>Expenditures:</b>			
New Project –Alternatives for Access to the Kaiser Permanente Santa Clara Medical Center Study	\$ 0	\$ 46,530	\$46,530

**PUBLIC CONTACT**

Public contact was made by posting the Council agenda on the City’s official-notice bulletin board outside City Hall, in the Council Chambers lobby, in the Office of the City Clerk, at the Library, Senior Center, Community Center, and Department of Public Safety; posting the agenda and report on the City’s Web site; and making the report available at the Library and the Office of the City Clerk.

**ALTERNATIVES**

1. Accept the donation of \$46,530 from Kaiser Permanente, appropriate these funds to a new project for the traffic study of access alternatives to the Kaiser Santa Clara Medical facility, and approve Budget Modification No. 10.
2. Do not approve acceptance of the donation and forego the donation of funds to complete a traffic study.

**RECOMMENDATION**

Staff recommends Alternative 1: Accept the donation of \$46,530 from Kaiser Permanente, appropriate these funds to a new project for the traffic study of access alternatives to the Kaiser Santa Clara Medical facility, and approve Budget Modification No. 10.

Reviewed by:

Marvin A. Rose, Director of Public Works  
Prepared by: Jack Witthaus, Transportation and Traffic Manager

Reviewed by:

Mary J. Bradley  
Director of Finance

Approved by:

Amy Chan  
City Manager

**Attachments**

- A. Study Issue Paper
- B. Donation Letter and Clarifying Email

## Proposed New Council Study Issue

<b>Number</b>	DPW 20
<b>Status</b>	Above the line
<b>Calendar Year</b>	2008
<b>New or Previous</b>	New
<b>Title</b>	Kaiser Hospital Access Study
<b>Lead Department</b>	Public Works
<b>Element or SubElement</b>	1.0 Land Use and Transportation

### 1. What are the key elements of the issue? What precipitated it?

At the Council meeting of November 20, 2007, representatives of the new Kaiser Hospital development in Santa Clara spoke of their interest in possible reconfigurations of traffic patterns and/or traffic signalization on Homestead road as a result of that development. Councilmembers Hamilton, Spitaleri and Lee supported a study issue paper for Council consideration.

Specific Council action taken in 1996 was to "approve a modified median barrier on Homestead Road which would allow left turns into Kaiser Hospital, but continue to preclude left turns from Kaiser Hospital onto Homestead Road." This action followed significant community outreach and numerous public meetings. The prohibition of a left turn onto Homestead was specifically intended to minimize impacts to adjacent Sunnyvale neighborhoods. The City did "reserve the right to reconsider its (1996) decision should the nature or intensity of the proposed project be changed". This study would investigate a change in traffic signalization, a left turn onto Homestead Road or reconsideration of traffic patterns in general. The scope of the analysis would include investigation of traffic distribution to and from all access points to the Kaiser facility, and consideration of new access points as an alternative to allowing left turns on Homestead Road or as an augmentation of allowing left turns onto Homestead Road, as suggested by Vice-Mayor Hamilton. Detailed historical information is available in RTC's 95-281 and 96-117.

### 2. How does this relate to the General Plan or existing City Policy?

1.0 Land Use and Transportation - Action Statement C3.1.4 Study and implement physical and operational improvements to optimize roadway and intersection capacities.

Specific Council action taken in 1996 was to "approve a modified median barrier on Homestead Road which would allow left turns into Kaiser Hospital, but continue to preclude left turns from Kaiser Hospital onto Homestead Road." RTC's 95-281 and 96-117.

### 3. Origin of issue

<b>Council Member(s)</b>	Hamilton, Spitaleri, Lee
<b>General Plan</b>	
<b>City Staff</b>	
<b>Public</b>	
<b>Board or Commission</b>	none

4. Multiple Year Project? No Planned Completion Year 2008

5. Expected participation involved in the study issue process?

- Does Council need to approve a work plan? Yes
- Does this issue require review by a Board/Commission? No
- If so, which?
- Is a Council Study Session anticipated? No
- What is the public participation process?  
Multiple neighborhood outreach meetings, stakeholder meetings.

6. Cost of Study

- Operating Budget Program covering costs
- Project Budget covering costs
- Budget modification \$ amount needed for study  
\$ 50,000

Explain below what the additional funding will be used for  
Study of traffic generation, traffic patterns, traffic control warrants, traffic calming. Staff recommends that study costs be funded by Kaiser.

7. Potential fiscal impact to implement recommendations in the Study approved by Council

- Capital expenditure range None
- Operating expenditure range \$500 - \$50K
- New revenues/savings range None

Explain impact briefly  
Modification of turn restrictions if left turns are allowed from the Kaiser facility. Fiscal impact could be greater if significant additional neighborhood traffic calming measures are identified.

8. Staff Recommendation

Staff Recommendation None

If 'For Study' or 'Against Study', explain

9. Estimated consultant hours for completion of the study issue

400

**Managers**

Role	Manager	Hours
Lead	Witthaus, Jack	
	Mgr CY1: 60	Mgr CY2: 0
	Staff CY1: 60	Staff CY2: 0

Total Hours CY1: 120

Total Hours CY2: 0

Note: If staff's recommendation is 'For Study' or 'Against Study', the Director should note the relative importance of this Study to other major projects that the Department is currently working on or that are soon to begin, and the impact on existing services/priorities.

Reviewed by

Marion A. Lee

2/6/08

Department Director

Date

Approved by

Ray Allen

2/12/08

City Manager

Date

### Addendum

**A. Board / Commission Recommendation**

Issue Created Too Late for B/C Ranking

Board or Commission	Rank	Rank 1 year ago	Rank 2 years ago
Arts Commission			
Bicycle and Pedestrian Advisory Committee			
Board of Building Code Appeals			
Board of Library Trustees			
Child Care Advisory Board			
Heritage Preservation Commission			
Housing and Human Services Commission			
Parks and Recreation Commission			
Personnel Board			
Planning Commission			
<b>Board or Commission ranking comments</b>			

**B. Council**

**Council Rank**                    2  
**Work Plan Review Date** 4/22/2008  
**Study Session Date**        (blank)  
**RTC Date**                         12/2/2008  
**Actual Complete Date**    (blank)  
**Staff Contact**                 Witthaus, Jack



August 28, 2008

Heba El-Duendy  
Senior Transportation Planner  
City of Sunnyvale  
456 West Olive Avenue  
P.O. Box 3707  
Sunnyvale, CA 94088

**SUBJECT:** Kaiser Permanente Santa Clara Medical Center  
City of Sunnyvale Traffic Access Study

Dear Ms. El-Guendy:

Kaiser Permanente Medical Center is pleased to work with the City of Sunnyvale in funding the Traffic Access Study.

To clarify some points & questions on the proposed study:

1. The existing Kaiser Permanente medical facility currently consists of a Medical Office Building, 520,000 sq. ft., (opened on May 2005) and the Hospital is 710,000 sq. ft. (opened August 2007).
2. The traffic study will review all traffic exiting at the Homestead Exit.
3. The Development Agreement also approved two exits from Swallow Rd.
4. The West side recently completed a 17,000 sq ft. Cancer Center and a 5,000 sq ft residence for patient families that are admitted to the hospital.
5. Kaiser Permanente completed three traffic studies; one prior to opening, one after the Hospital Ph I opened and the final, one year after the Hospital opening. The traffic consultant and the specific streets were reviewed and approved by Dave Pittman, City of Santa Clara and Jack Witthaus, City of Sunnyvale.

The final traffic study was forwarded to The City of Sunnyvale, City of Cupertino, City of Santa Clara and The County of Santa Clara on April 2008. The traffic report was the final Condition of Approval required from the City of Santa Clara. In an effort to expedite this study we are willing to share any of the study reports with the city.

Please feel free to contact Lisa Jafferries, Community and Government Relations Manager at 408-366-4181 or [Lisa.Jafferries@kp.org](mailto:Lisa.Jafferries@kp.org)

Sincerely,

Mary Ann Barnes  
Senior Vice President & Area Manager  
Santa Clara Service Area

**Jack Witthaus - Re: Donation letter**

**From:** <[REDACTED]>  
**To:** <JWitthaus@ci.sunnyvale.ca.us>  
**Date:** 9/3/2008 2:54 PM  
**Subject:** Re: Donation letter  
**Attachments:** Kaiser donation solicitation.doc

Mr. Witthaus,  
Thank you for your communication. Kaiser Permanente agrees to fund the study to completion in the amount of \$46,530. This represents the consultant's quote plus a 10% contingency. Any unused funds would be returned to Kaiser Permanente at the conclusion of the study along with a copy of the bill. The funds will be provided as a donation to the City to render the study. Thank you.

Lisa Jafferries  
Community & Government Relations Manager  
Kaiser Permanente Santa Clara  
19000 Homestead Rd., Bldg.1, 2nd Floor  
Cupertino, CA 95014  
Office Phone: 408-366-4181  
lisa.jafferries@kp.org

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"Jack Witthaus"  
<JWitthaus@ci.sunnyvale.ca.us>

To Lisa Jafferries <[REDACTED]>

cc

Subject: Donation letter

08/28/2008 11:02 AM

I left you a phone message regarding Mary Ann Barnes' letter regarding the traffic study that Kaiser Permanente would like the City of Sunnyvale to conduct. The letter does not specifically state that you agree to the terms of our donation solicitation. I think it would improve people's comfort level over here if we could get something in writing that says,

yes, Kaiser agrees to the terms of the donation solicitation. An email would suffice that I could attach to Mary Ann's letter. Our letter is attached for your reference. Give me a call with any questions (408) 730-7330.