

**Council Meeting: July 17, 2012****SUBJECT: Approval of Budget Modification No. 5 to Appropriate Additional Local Funds for Project 828910 Sunnyvale Avenue/Old San Francisco Road Left Turn Project****BACKGROUND**

The Old San Francisco Road/Sunnyvale Avenue Left Turn project will construct a new, signalized southbound left-turn access from southbound Sunnyvale Avenue to Old San Francisco Road. Discussions of this project began during the Council meeting on June 23, 2009 as part of RTC 09-163 (Palo Alto Medical Foundation Application for related proposals of six sites at 301 and 401 Old San Francisco Road, and 420, 428, and 448 Kennedy Court in an R-2/O/PD Zoning District.) On December 15, 2009, responding to a request of the Council, staff provided a study that indicated that it is operationally beneficial to have a left turn onto Old San Francisco Road from Sunnyvale Avenue to take traffic off of Olive Avenue and other neighborhood streets (RTC 09-312). The Council directed staff to initiate a project to construct this left turn lane.

On July 20, 2010, Council approved a budget modification to appropriate funds for the project in the amount of \$750,000. This project budget anticipated receiving grant funds in the amount of \$663,975, which would be partnered by a local match (funded by the City) in the amount of \$86,025. On October 18, 2011, the Council awarded a design contract to BKF Engineers in the amount of \$202,334 (RTC 11-228). The design costs include environmental review and other compliance measures.

DISCUSSION

During design it was recognized that the project would affect the intersection at Sunnyvale Avenue and El Camino Real, requiring additional work and Caltrans permits. This additional work includes: adding a second left-turn lane from southbound Sunnyvale Avenue to El Camino Real, eliminating the free-right turn from El Camino Real to Sunnyvale Avenue, lane realignment, and related work. The current engineer's estimate of the total project cost is \$944,400.

The grant administrator has notified the City that grant funding is limited to \$638,000, rather than the \$663,975 previously reported. The City's funding would need to cover the revised required local match of \$83,000 plus any other project costs. Therefore, additional funding of \$220,375 is required to

complete this project. The City’s (local) funding covers: design costs, construction costs beyond the grant amount, and satisfies the local share requirement.

FISCAL IMPACT

The total cost of the Sunnyvale Avenue/Old San Francisco Road Left Turn project is \$944,400. Federal funding in the amount of \$638,000 has been awarded by VTA. An additional \$220,375 is needed to complete the project.

Budget Modification No. 5 has been prepared to appropriate \$220,375 from dedicated local matching funds in the Traffic Mitigation Sub-Fund of the Capital Projects Fund to fund the additional required amount.

**Budget Modification No. 5
 FY 2012/2013**

	Current	Increase/ (Decrease)	Revised
Capital Projects Fund/General Assets Sub-Fund			
<u>Revenues:</u>			
ISTEA Grants	\$663,975	(\$25,975)	\$638,000
<u>Expenditures:</u>			
Project 828910 Sunnyvale Avenue/Old San Francisco Road Left Turn Project	\$750,000	\$194,400	\$944,400
Capital Projects Fund/Traffic Mitigation Sub-Fund			
<u>Reserves:</u>			
Dedicated Local Matching Fund	\$536,344	(\$220,375)	\$315,969

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 Office of the City Clerk.

ALTERNATIVES

1. Approve Budget Modification No. 5 to appropriate additional funds for the Sunnyvale Avenue/Old San Francisco Road Left Turn Project.
2. Do not approve Budget Modification No. 5. This will leave the Sunnyvale Avenue/Old San Francisco Road project underfunded.

RECOMMENDATION

Staff recommends Alternative 1: Approve Budget Modification No. 5 to provide additional funds for the Sunnyvale Avenue/Old San Francisco Road Left Turn Project. Providing the required local funds will allow the Sunnyvale Avenue/Old San Francisco Road project to proceed.

Reviewed by:

Kent Steffens, Director of Public Works
Prepared by: Jack Witthaus, Transportation and Traffic Manager

Reviewed by:

Grace Leung, Director of Finance

Approved by:

Gary M. Luebbers
City Manager