



EAST PALO ALTO CITY COUNCIL REGULAR SESSION **AMENDED** AGENDA

Tuesday, May 6, 2025, 6:30 PM
EPA Government Center
2415 University Avenue, First Floor
East Palo Alto, CA 94303

NOTICE

This meeting will be held virtually and in-person at the Council Chambers located on 2415 University Ave, First Floor East Palo Alto, CA 94303. The virtual portion of this City Council meeting will be conducted in accordance with City of East Palo Alto Resolution adopted pursuant to Assembly Bill 361.

The public may participate in the City Council Meeting via Zoom Meeting or by attending in-person in the Council Chambers at 2415 University Ave, First Floor East Palo Alto, CA 94303. Community members may provide comments by emailing cityclerk@cityofepa.org, submitting a speaker card at the meeting, or using the **RAISE HAND** feature when the Mayor or City Clerk call for public comment. Emailed comments should include the specific agenda item on which you are commenting.

Please click this URL to join

<https://us06web.zoom.us/j/87424521363>

Or join by phone:

Dial (for higher quality, dial a number based on your current location):

US: +1 669 900 6833 or

+ 1 346 248 7799 or

+ 1 253 215 8782 or

+ 1 312 626 6799 or

+ 1 929 205 6099 or

+ 1 301 715 8592

Webinar ID: 874 2452 1363

International numbers available: <https://zoom.us/u/aMWYF4KT>

1. **CALL TO ORDER AND ROLL CALL**

2. **APPROVAL OF THE AGENDA**

3. **APPROVAL OF CONSENT CALENDAR**

3.1 **Mental Health Month Proclamation**

3.2 **Building Staff Augmentation Services RFP Results**

Recommendation:

Adopt a resolution:

1. Authorizing the City Manager to negotiate, award, and execute contracts with West Coast Code Consultants, Inc. and CSG Consultants, Inc. for total not-to-exceed amount of \$1,000,000 (collectively, not per entity), with an initial term of four years and two optional one-year extensions at the City Manager's discretion for on-call services in the Building Division; and
2. Finding that the proposed action does not constitute a "project" with the meaning of the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines sections 15378(b)(4) and (5) in that it is a governmental fiscal, organizational or administrative activity that will not result in direct or indirect changes in the environment.

3.3 **Master Consultant Agreements for Planning RFP**

Recommendation:

Adopt a resolution:

1. Authorizing the City Manager to execute Master Consultant Agreements with selected firms for Planning Division On-Call professional consulting services for the term of four years, with an option to extend for up to two (2) additional one year extensions, as a result of the 2025 Planning RFP process, in a form approved by the City Attorney.; and
2. Finding that the proposed action does not constitute a "project" with the meaning of the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines sections 15378(b)(4) and (5) in that it is a governmental fiscal, organizational or administrative activity that will not result in direct or indirect changes in the environment.

3.4 **Illegal Fireworks Ordinance**

Recommendation: Second Reading

3.5 Recognizing & Celebrating Municipal Clerks Week

3.6 President’s Volunteer Service Award (PVSA) proclamation

3.7 Authorize the Acceptance of Grant Funding from Peninsula Clean Energy Authority for the City’s Electric Vehicle Charging Station Project, FA-10

Recommendation:

Adopt a resolution:

1. Authorizing the City Manager to negotiate and execute an agreement with Peninsula Clean Energy Authority (PCEA), accepting the Member Agency Energy grant award in the amount of Two hundred Forty-Three Thousand Five Hundred Sixty-Three dollars (\$243,563.) for the City’s Electric Vehicle Charging Station project; and
2. Finding that the proposed action is exempt from the California Environmental Quality Act (“CEQA”) under State CEQA Guidelines Section 15303 (Class 3), which exempts from further CEQA review the construction and location of limited numbers of new, small facilities or structures, installation of small new equipment and facilities in small structures, and the conversion of existing small structures from one use to another where only minor modifications are made to the exterior of the structure, as the lease envisions use of a temporary structures on site for offices.

3.8 Authorization to Amend SoundThinking, Inc. and accept and appropriate a New Contract with SoundThinking, Inc. formally ShotSpotter Inc.

Recommendation:

1. Adopt a resolution authorizing the City Manager to amend and accept a new contract with SoundThinking Inc, in a form approved by the City Attorney, for the services and maintenance of the Gun Activation System formerly known as ShotSpotter Inc. for the Police Department for three years with two one-year options to extent in contract amount of \$61,333.00 for the first-year and divided according per the quote agreement for a total not to exceed \$336,463 total amount over five years.
2. Finding that special circumstances warrant disregarding bid procedure pursuant to section 2.84.070(D) of the East Palo Alto Municipal Code; and
3. Finding that the proposed action does not constitute a “project” with the meaning of the California Environmental Quality Act (“CEQA”) pursuant to CEQA Guidelines sections 15378(b)(4) (5) in that it is a governmental fiscal, organizational, or administrative activity that will not result in direct or indirect

3.9 Adopting a resolution of local support to receive Metropolitan Transportation Commission grant funds for a regional electric vehicle

charging project.

Recommendation:

Adopt a resolution :

1) Authorizing the filing of an application for funding assigned to the Metropolitan Transportation Commission (MTC) for its 2024 Climate Program Implementation Grant for a publicly accessible electric vehicle charging infrastructure project, and committing a minimum of \$85,000 of the total project cost in non-federal matching funds (11.47%), which will be provided by Peninsula Clean Energy, and stating assurance to complete the project; and

2.) Finding the proposed action does not constitute a “project” with the meaning of the California Environmental Quality Act (“CEQA”) pursuant to CEQA Guidelines sections 15378(b)(4) and (5) in that it is a governmental fiscal, organizational or administrative activity that will not result in direct or indirect changes in the environment.

3.10 Jonathan's Fish and Chips Proclamation

3.11 Davante Lavell Adams Proclamation

4. CLOSED SESSION

4.1 CONFERENCE WITH REAL PROPERTY NEGOTIATORS (Pursuant to Government Code Section 54956.8):

Recommendation: REAL PROPERTY: 2535 Pulgas Avenue, East Palo Alto CA; AGENCY NEGOTIATORS: Melvin E. Gaines, City Manager, John D. Lê, City Attorney; UNDER NEGOTIATION: price and terms.

4.2 CONFERENCE WITH REAL PROPERTY NEGOTIATORS (Pursuant to Government Code Section 54956.8) REAL PROPERTY: 1095 Beech Street, East Palo Alto CA; AGENCY NEGOTIATORS: Melvin E. Gaines, City Manager, John D. Lê, City Attorney; UNDER NEGOTIATION: price and terms.

4.3 CONFERENCE WITH LEGAL COUNSEL—LITIGATION (Government Code Section 54956.9(d)(4)): (One potential matter.)

**4.4 CONFERENCE WITH REAL PROPERTY NEGOTIATORS
Property: 1765 E. Bayshore, #206, East Palo Alto, CA 94303
Agency negotiator: Michelle Magarell, Deputy City Attorney, East Palo Alto**

**4.5 CONFERENCE WITH LEGAL COUNSEL—EXISTING LITIGATION
(Government Code Section 54956.9(d)(1).) Case Name Unspecified.**

5. PUBLIC COMMENT

6. INFORMATIONAL REPORTS

6.1 Capital Improvement Project informational presentation

Recommendation: Receive presentation concerning capital improvement projects, including project status updates.

7. SPECIAL PRESENTATIONS

8. ADJOURN CITY COUNCIL REGULAR MEETING TO THE EAST PALO ALTO SANITARY DISTRICT BOARD MEETING

9. APPROVAL OF THE EPASD BOARD MEETING AGENDA

10. APPROVAL OF EPASD BOARD MEETING CONSENT CALENDAR

11. EPASD BOARD MEETING CLOSED SESSION

12. EPASD BOARD MEETING PUBLIC COMMENT

13. EPASD BOARD MEETING POLICY AND

ACTION 13.1 EPASD FY2024-25 Budget Update

Recommendation:

Accept and discuss EPASD FY2024-25 Budget Update report.

14. EPASD BOARD REPORTS

15. ADJOURN EAST PALO ALTO SANITARY DISTRICT BOARD MEETING AND RECONVENE CITY COUNCIL REGULAR MEETING

16. PUBLIC HEARINGS

17. POLICY AND ACTION

17.1 Palo Mobile Estates Loan Program

Recommendation:

1. The reallocation of two million dollars from the Palo Mobile Estates Fund to the Affordable Housing Preservation Fund.

17.2 University Avenue/101 Pedestrian Overcrossing project update and contract amendments

Recommendation:

1. Authorizing the City Manager to execute a contract amendment number one with Ghirardelli Construction, Inc., (Ghirardelli) for construction management services, increasing the contract amount by three hundred and seventy thousand dollars (\$370,000), for a new not-to-exceed

contract amount of \$2,224,308.83;

2. Authorizing the City Manager to execute a contract amendment number four with AECOM Technical Services, Inc., for design support services during construction, increasing the contract amount by thirty-five thousand, four hundred and fifty dollars (\$35,450), for a new not-to-exceed contract amount of \$1,845,399.00
3. Approving additional \$405,450 to University Avenue/101 Pedestrian Overcrossing project from CIP fund in the City's Capital Budget
4. Finding that the proposed action contract amendments for the construction of a public works project - is not a "project" under the California Environmental Quality Act ("CEQA"), pursuant to CEQA Guidelines sections 15378(b)(4) and (5), in that it is a governmental fiscal, organizational or administrative activity that will not result in direct or indirect changes in the environment

18. COUNCIL REPORTS

19. ADJOURNMENT

Upcoming meetings:

Budget Meeting	May 13, 2025	5:30 PM
Regular Meeting	May 20, 2025	6:30 PM
Budget Meeting	May 27, 2025	5:30 PM

This AGENDA is posted in accordance with Government Code Section 54954.2(a)

This Notice of Availability of Public Records: All public records relating to an open session item which are not exempt from disclosure pursuant to the Public Records Act, that are distributed to the majority of the City Council will be available for public inspection at the City Clerk's Office, 2415 University Avenue, East Palo Alto, CA at the same time that the public records are distributed or made available to the City Council. Such documents may also be available on the East Palo Alto website www.cityofepa.org subject to staff's ability to post the documents prior to the meeting. Information may be obtained by calling (650) 853-3100.

The City Council meeting packet may be reviewed by the public in the Library or the City Clerk's Office. Any writings or documents pertaining to an open session item provided to a majority of the City Council less than 72 hours prior to the meeting, shall be made available for public inspection at the front counter at the City Clerk's Office, 2ND Floor, City Hall, 2415 University Avenue, East Palo Alto, California 94303 during normal business hours. Information distributed to the Council at the Council meeting becomes part of the public record. A copy of written material, pictures, etc. should be provided for this purpose.

East Palo Alto City Council Chambers is ADA compliant. Requests for disability related modifications or accommodations, aids or services may be made by a person with a disability to the City Clerk's office at (650) 853-3127 no less than 72 hours prior to the meeting as required by Section 202 of the Americans with Disabilities Act of 1990 and the federal rules and regulations adopted in implementation thereof.

DECLARATION OF POSTING

This Notice is posted in accordance with Government Code §54954.2(a) or §54956. Members of the public can view electronic agendas and staff reports by accessing the City website. Under penalty of perjury, this Agenda was posted to the public at least 72 hours prior to the meeting.

POSTED: 04/26/2025

ATTEST:

Lucero Avila-Garcia

Lucero Avila-Garcia
Executive Assistant to the City
Manager



EAST PALO ALTO CITY COUNCIL STAFF REPORT

DATE: May 6th, 2025
TO: Honorable Mayor and Members of the City Council
VIA: Melvin E. Gaines, City Manager
BY: James Colin
SUBJECT: Mental Health Month

Recommendation

Present the Proclamation

Attachments

1. Proclamation

PROCLAMATION OF THE CITY OF EAST PALO ALTO IN RECOGNITION & CELEBRATION OF MENTAL HEALTH MONTH FOR THE MONTH OF MAY

This measure would recognize May 2025 as Mental Health Month in the City of East Palo Alto to reduce stigma, encourage support, and promote wellness to address mental health and substance use conditions.

WHEREAS, in 2021, one out of every eight San Mateo County adults likely had serious psychological distress in the past year. From 2019 to 2021, San Mateo County youth in grades 7 and 11, reported chronic sadness and hopelessness (29% and 43%, respectively) in the past 12 months; and

WHEREAS, every day, millions of people face stigma related to mental health and substance use conditions and may feel isolated and alone, going years before receiving any help; if left untreated, have life expectancies 25 years shorter than the general population; and

WHEREAS, while mental health conditions are common across all types of demographics, certain communities face inequitable access to services, including people of color, the LGBTQIA+ community, youth, and older adults.

WHEREAS, mental health and substance use conditions are treatable health conditions, and people who have mental health and substance use conditions can recover and lead full and meaningful lives.

WHEREAS, San Mateo County Board of Supervisors is the first in the country to pass a resolution in January 2024 declaring loneliness a public health crisis and pledging to promote social connection in our communities. Given this public health priority, the theme for 2025 May Mental Health Month is Heal Through Connection #SMCAgainstLoneliness. Ongoing updates are posted at www.SMCHealth.org/MHM; and

WHEREAS, the San Mateo County Behavioral Health and Recovery Services Office of Diversity and Equity, Mayors Mental Health Initiative, and partners are collectively organizing activities that our community can participate in throughout the month, including free in-person and virtual events, advocacy days, and social media campaigns.

WHEREAS, The City of East Palo Alto City Council wishes to increase the public's knowledge of signs and symptoms of mental health and substance use conditions, professional and self-help resources, and self-care practices, now, therefore, be it

NOW THEREFORE, BE IT RESOLVED THAT, the City Council of City of East Palo Alto, State of California, thereof concurring, that the City of East Palo Alto hereby recognizes May 2025 as Mental Health Month in the City of East Palo Alto to enhance public awareness of mental health to help end the stigma and direct members of the community to resources and support for mental health and substance use conditions.

Dated: May 6, 2025



Martha Barragan, Mayor



EAST PALO ALTO CITY COUNCIL STAFF REPORT

DATE: May 6, 2025

TO: Honorable Mayor and Members of the City Council

VIA: Melvin E. Gaines, City Manager

BY: Jessica Arellano, Management Analyst
Amy Chen, Community & Economic Development Director

SUBJECT: Building Staff Augmentation Services RFP Results

Recommendation

Adopt a resolution:

1. Authorizing the City Manager to negotiate, award, and execute contracts with West Coast Code Consultants, Inc. and CSG Consultants, Inc. for total not-to-exceed amount of \$1,000,000 (collectively, not per entity), with an initial term of four years and two optional one-year extensions at the City Manager’s discretion for on-call services in the Building Division; and
2. Finding that the proposed action does not constitute a “project” with the meaning of the California Environmental Quality Act (“CEQA”) pursuant to CEQA Guidelines sections 15378(b)(4) and (5) in that it is a governmental fiscal, organizational or administrative activity that will not result in direct or indirect changes in the environment.

Alignment with City Council Strategic Plan

This recommendation is primarily aligned with the following priorities:

- Promote Health & Public Safety

Background

In July 2019, the City of East Palo Alto released a request for qualifications (RFQ) to procure master consulting agreements (MCA) with consulting firms highly qualified to provide building plan review services during the entitlement phase of incoming development projects. On



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September 17, 2019, the City Council adopted Resolution No. 5166 authorizing the City Manager to formally qualify and execute contracts with two (2) consulting firms: 4Leaf, Inc. (4Leaf) and West Coast Code Consultants, Inc. (WC3) for building professional services.

The MCAs authorized the City to utilize each selected firms' consulting services for development projects through established reimbursement agreements, which provide pass-through revenue directly from the development applicant. As such, the scope of services for MCAs ends when a given project receives an entitlement.

However, once a given project reaches entitlement, the demand for services via the Building Services Division continues. To obtain a Building Permit, the development applicant submits building permit and building plans (with revisions pertaining to the conditions of approval (COAs) incorporated on the submitted documents) to the Building Services Division. At this stage, the Division begins the building plan review and, once the building permit is issued, the subsequent building inspections.

While the City has the staffing capacity to process the majority of incoming small and medium scale projects, the City requires staff augmentation services on an on-call, as-needed, basis to provide supplemental staffing capacity for large scale projects. This cost is fully recovered by building permit fees incurred from the development applicant.

As a result, on December 17, 2019, the City entered into a consultant agreement with WC3 for post-entitlement services with a total contract limit for building-related professional services not to exceed \$1,000,000 and a contract term expiration of June 30, 2024, with up to two (2) six-month extensions (to June 2023). In May 2023, with the vacancy of the Chief Building Official, the Building Inspector, and a Neighborhood Preservation Officer position, \$1,000,000 was added to the contract not-to-exceed total and the contract to provide staff augmentation services. Also at the time, two large affordable housing projects were under construction, Light Tree Apartments wrapping up inspections and Colibri Commons getting ready to break ground, so there was an immediate need for building services and thus the contract was extended further by another two years. The current contract with WC3 is expiring June 30, 2025.

On February 14, 2025, the City issued an RFP as required for formal procurements to procure qualified consultants for building staff augmentation services. The Building Division includes Code Enforcement, and the City requires as-needed support to manage the ongoing and increasing development workload. The procurement has two main parts:

- 1) Part 1 - This first part of the scope of work, called Building Services, shall include on-site and off-site plan review, on-site staff augmentation, and other Building Division duties as assigned. On and off-site coverage is expected as a part of this scope and includes the following services as needed: plan review, building inspections for specific projects, and other related tasks. Since the City has been challenged to find a permanent Chief Building Official (CBO), the City has utilized consultant support to fill this position and asked respondents applying to this part of the RFP to describe how their firm has the capacity to provide CBO services, in the event the City requires such services. The CBO job description was also attached to the RFP.



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- 2) Part 2 - The City has had an on-call staff augmentation contract for the past 6 years and although the scope has been largely Building focused, the City is specifically calling out a specific need for additional support in Code Enforcement. The current 2025 City Council has asked City staff to develop a staffing plan to address Priority Three cases. This could include the issuance of code enforcement violations and follow-up to cure those cases. The scope could also include improving the information and processes of the Code Enforcement program. Lastly there could be after regular business hours work including weekend enforcement. There could be other Building Division duties as assigned where code enforcement is interrelated, including updating the TrakIt database (which is what the Building Division uses to issue permits as well as track code violations).

Proposers were able to submit proposals responsive to one or both parts of this scope of work. The RFP was posted on the City website for bids and RFPs: <https://www.cityofepa.org/rfps> for public view. The RFP closed on March 14, 2025, and the City received 6 proposals. Additionally, staff also received proposals from firms that are already working with the City. The new contracts being proposed will be for four years, with options for two one-year extensions at the City Manager’s discretion, for a total of six years.

Analysis

The following six consulting firms responded to the City’s RFP for building and code enforcement services:

1. Bureau Veritas
2. CSG
3. Interwest Consulting Group
4. Urban 37
5. West Coast Code Consultants, INC. (WC3)
6. Willdan

A panel of three City staff members rated the six submitted proposals based on the evaluation criteria set forth in the RFP document. Final evaluation results are listed in Table 1 below. Staff’s recommended proposals were not significantly (ten percent or greater) more expensive than all other proposals submitted, and price was not the determining factor in the staff’s selection process.

Table 1

RFP Evaluation Final Scores		
Firm	Part 1 Building Services	Part 2 Code Enforcement
West Coast Code Consultants (WC3)	91	83
CSG Consultants	85	85
Willdan	76	76
Urban 37	72	62
Bureau Veritas*	72	-
Interwest Consulting Group	71	51

*Only applied to Part 1 of the RFP



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The City recommends establishing contracts with two consultants to ensure availability and support for both the building and code enforcement services. Upon reviewing the final evaluation panel scoring (see Table 1), the two consultants recommended for Building and Code Enforcement services are WC3 and CSG Consultants, Inc. WC3 would serve as the first priority for Building Services, which includes CBO coverage. Where WC3 cannot fulfill this service area, CSG who would remain on-call until notified by City staff.

For Code Enforcement, WC3 would remain first priority, but with the recent City Council discussions around Code Enforcement priorities and updating the program to be more proactive, City staff would assign CSG code cases and related code enforcement duties. There may be cases or areas where WC3 supervises CSG because WC3 is also serving as the interim CBO; in any case, all scopes of work would be coordinated under the direction of the CED Director.

Currently the Building Division has two vacant positions: Chief Building Official and Building Inspector/Neighborhood Preservation Officer I/II (hybrid position). The intent of this contract is to complement and further support City staff capacity and coverage, and ultimately to provide the best customer service to the community.

Staff recommends that each contract term expiration date be set at four years beyond the execution date of the contracts, with up two optional one-year extensions, at the sole discretion of the City Manager.

Please note, a concurrent item on this Council agenda, item 3.3 addresses the MCA contracts. This proposed selection of consultants is from a separate RFP and will result in a separate set of agreements.

Fiscal Impact

No budget amendment is required for this action, as it is already included in the FY2024-25 Building budget.

The two standard consulting agreements the City will execute following an approved Resolution will be cost recovery. The City will enter into two agreements for building related professional services. The City will incur a temporary fiscal impact up to \$1,000,000 in total for all contracted building-related professional services. This initial cost will be covered by existing unanticipated Building revenues.

Public Notice

The public was provided notice by making the agenda and report available on the City's website and on a bulletin board located at City Hall: 2415 University Avenue, East Palo Alto.

Environmental

The proposed action does not constitute a "project" with the meaning of the California



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Environmental Quality Act (“CEQA”) pursuant to CEQA Guidelines sections 15378(b)(4) and (5) in that it is a governmental fiscal, organizational or administrative activity that will not result in direct or indirect changes in the environment.

Government Code § 84308

Applicability of Levine Act: Yes.

Analysis of Levine Act Compliance: The signatories for the various agreements are as follows below. Staff is unaware of any other parties or participants relevant to the Council's consideration of this item.

WC3 Vice President / Regional Manager, Donald Zhao
CSG President, Cyrus Kianpour

Attachments

1. Resolution

RESOLUTION NO. XX– 2025**A RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF EAST PALO ALTO**

AUTHORIZING THE CITY MANAGER TO NEGOTIATE, AWARD AND EXECUTE CONTRACTS WITH WEST COAST CODE CONSULTANTS, INC. AND CSG CONSULTANTS, INC. FOR ON-CALL BUILDING AND CODE ENFORCEMENT SERVICES FOR A NOT-TO-EXCEED AMOUNT OF \$1,000,000 (COLLECTIVELY, NOT PER ENTITY) OVER FOUR YEARS WITH TWO OPTIONAL ONE-YEAR EXTENSIONS AT THE CITY MANAGER’S DISCRETION

WHEREAS, the City of East Palo Alto anticipates a continued increase in development review activity requiring staff augmentation in both Building Services and Code Enforcement Divisions; and

WHEREAS, on February 14, 2025, the City issued a formally procured request for proposals (RFP) for post-entitlement building plan review, building inspection, code enforcement, and other related support services, with a submission deadline of 12:00 PM on March 14, 2025; and

WHEREAS, six consulting firms submitted proposals in response to the RFP, and a panel of City staff evaluated and scored each proposal; and

WHEREAS, the firms recommended based on evaluation results are both West Coast Code Consultants, Inc. (WC3) and CSG Consultants, Inc. (CSG) for Code Enforcement Services; and

WHEREAS, the City desires to ensure consultant availability and project stability by executing contracts with both recommended firms; and

WHEREAS, the total not-to-exceed amount for both contracts will be \$1,000,000 collectively, with an initial term of four years and two optional one-year extensions at the City Manager’s discretion.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of East Palo Alto hereby:

1. Finds the foregoing recitals are true and correct and are incorporated herein by reference;
2. Authorizes the City Manager to negotiate, award, and execute contracts with West Coast Code Consultants, Inc. and CSG Consultants, Inc. for a total not-to-exceed amount of \$1,000,000 (collectively, not per entity), with an initial term of four years and two optional one-year extensions at the City Manager’s discretion, for on-call services in the Building Division; and
3. Finding that this action does not constitute a “Project” within the meaning of the California Environmental Quality Act (CEQA), pursuant to CEQA Guidelines sections 15378(b)(4) and (5) in that it is a governmental fiscal, organizational or administrative activity that will not result in direct or indirect changes in the environment.

PASSED AND ADOPTED this 6th day of May 2025, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Martha Barragan, Mayor

ATTEST:

APPROVED AS TO FORM:

James Colin, City Clerk

John D. Lê, City Attorney



EAST PALO ALTO CITY COUNCIL STAFF REPORT

DATE: May 6, 2025

TO: Honorable Mayor and Members of the City Council

VIA: Melvin E. Gaines, City Manager

BY: Elena Lee, Planning Manager
Amy Chen, Community & Economic Development Director

SUBJECT: Master Consultant Agreements for Planning RFP Results

Recommendation

Adopt a resolution:

1. Authorizing the City Manager to negotiate, award, and execute master consultant agreements with selected planning firms for on-call professional consulting services for a collective not-to-exceed cost of \$6,450,000, with an initial term of four years and two optional one-year extensions at the City Manager's discretion, in a form approved by the City Attorney; and
2. Finding that the proposed action does not constitute a "project" with the meaning of the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines sections 15378(b)(4) and (5) in that it is a governmental fiscal, organizational or administrative activity that will not result in direct or indirect changes in the environment.

Alignment with City Council Strategic Plan

This recommendation is primarily aligned with:

Priority: Housing, Economic and Workforce Development
Priority: Implement the Comprehensive Transportation and Mobility Plan
Priority: Ensure Our Financial and Organizational Health

Background

The City of East Palo Alto has experienced an increase in development review activity, as well



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as project complexity, surpassing current staffing capacity in multiple divisions and departments. Staff also anticipate an increase in complex projects following the approval of the Ravenswood Business District/4 Corners (RBD) Specific Plan. To address this, the City issued via formal procurement a Planning on-call request for proposals (RFP) to identify qualified firms capable of providing services across multiple planning application-related disciplines. The intent is to develop a deep consultant bench that can be quickly brought on to expedite development review.

This effort builds on previous consultant procurement cycles in 2019 and 2021, which established the City's first master consultant agreements (MCAs) to support planning and development functions. With those agreements now approaching expiration, the City sought to refresh and expand its pool of on-call consultants through this updated RFP process. The current MCAs are scheduled to expire at the end of the current fiscal year, following an extension that was approved by City Council in 2022.

Staff issued the MCA RFP on February 21, 2025 for the following categories:

- Building Services
- General Consultant Services
- Engineering Review
- Transportation
- Engineering Review
- Design Review
- Fiscal Impact Analysis
- Housing Needs Assessment
- Environmental Review
- Designated Contract Planner

The RFP was posted on the City website for bids and RFPs: <https://www.cityofepa.org/rfps> for public view. The RFP was issued on February 21, 2025 and closed on April 3, 2025, and the City received 46 proposals from 16 firms, with some proposing for multiple categories. Additionally, staff also received proposals from firms that are already working with the City. The new MCAs are proposed to be for four years, with options for two one-year extensions at the City Manager's discretion, for a total of six years.

Analysis

Master Consultant Agreements (MCAs)

MCAs are an agreement between the City and a list of contractors selected by City Council to provide consultant services on an as needed basis. Upon receipt of a planning application, staff would determine which MCAs must be utilized to process each application. This approach differs from the City's Purchasing Ordinance (East Palo Alto Municipal Code, Chapter 2.84) which requires formal or informal bids for professional services for each specific scope of work, using a mechanism such as an RFP for each technical service needed to process the application. Complex planning applications may require multiple consultant services and, therefore, multiple RFP processes. Each consultancy for a single development project must also be brought to City Council for review and approval in succession, adding significant time and duplication to the



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process.

Thus, to maximize efficiency of the City's development review process, the use of this MCA process was set up initially in 2019. Over the past six years, the MCA process has improved the City's capacity and effectiveness in processing development applications and ensuring full cost recovery. Staff recommends that the City Council again delegate the authority to the City Manager to execute these MCAs in nine technical areas and direct staff to execute reimbursement agreements for each development project.

Reimbursement Agreements

For a development project of large scale, it is appropriate and prudent to request the developer to provide funding upfront to: a) ensure that sufficient staff and consulting resources are in place to do work related to the development without detracting from other priorities, and b) to enable departments to anticipate and plan their work and staffing.

A Developer Reimbursement Agreement (DRA) is a pass-through arrangement in which a developer consents to pay the City the full cost for a dedicated project planner and other consultant services necessary to complete the review and processing of that developer's planning application. In addition, a DRA requires the developer to pay an administrative fee of up to ten percent of the sum of all project-related consulting costs. The administrative fee will compensate for the City's overhead costs in staff time to review, process, and seek Planning Commission and/or City Council approval of a project.

Major projects that require City Council action, environmental clearance consistent with the California Environmental Quality Act (CEQA), such as an Environmental Impact Report (EIR), other contract services, and a major investment of staff resources typically demand the use of a contract planner and other consultants. For these projects, staff recommends the City and developer enter into a DRA, which would then allow the City to initiate all necessary reviews simultaneously using MCAs and dramatically reduce the duration of the entitlement process and impact to staff. The approach of using DRAs ensures full cost recovery of staff time dedicated to processing development applications.

Less complex projects may not utilize the DRA process, but staff would still access MCAs for technical analysis if that is needed, and a majority of the planning work would be handled in-house by the City's Planning staff. For these projects, the application would be subject to the City's Master Fee Reimbursement Agreement (MFRA). However, there may be instances in which a developer and the City mutually agree to enter into a DRA for any project, including those of smaller size and lesser complexity, because the approach would be advantageous to the City and the applicant in managing workload.

Upon receipt of a planning application, City staff would determine if a DRA or MFRA is more appropriate, coordinate with the necessary consultants, and then initiate a reimbursement agreement between the developer and City, specifying the consultants and which MCA will be utilized. The MCAs serve as an umbrella agreement to which the reimbursement agreements will be based under and where the specified scope of work, project reimbursement costs, and



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other consultant details are laid out. The MCA on-call agreements will serve as a flexible, as-needed resource for the City to ensure timely, high-quality project processing and policy implementation.

RFP Results

The 2025 Planning RFP process resulted in the selection of multiple qualified firms for each key service category, based on their expertise, experience, and responsiveness to City needs. The selected firms comprise of the following:

2025 Planning RFP: Contract Summary Chart

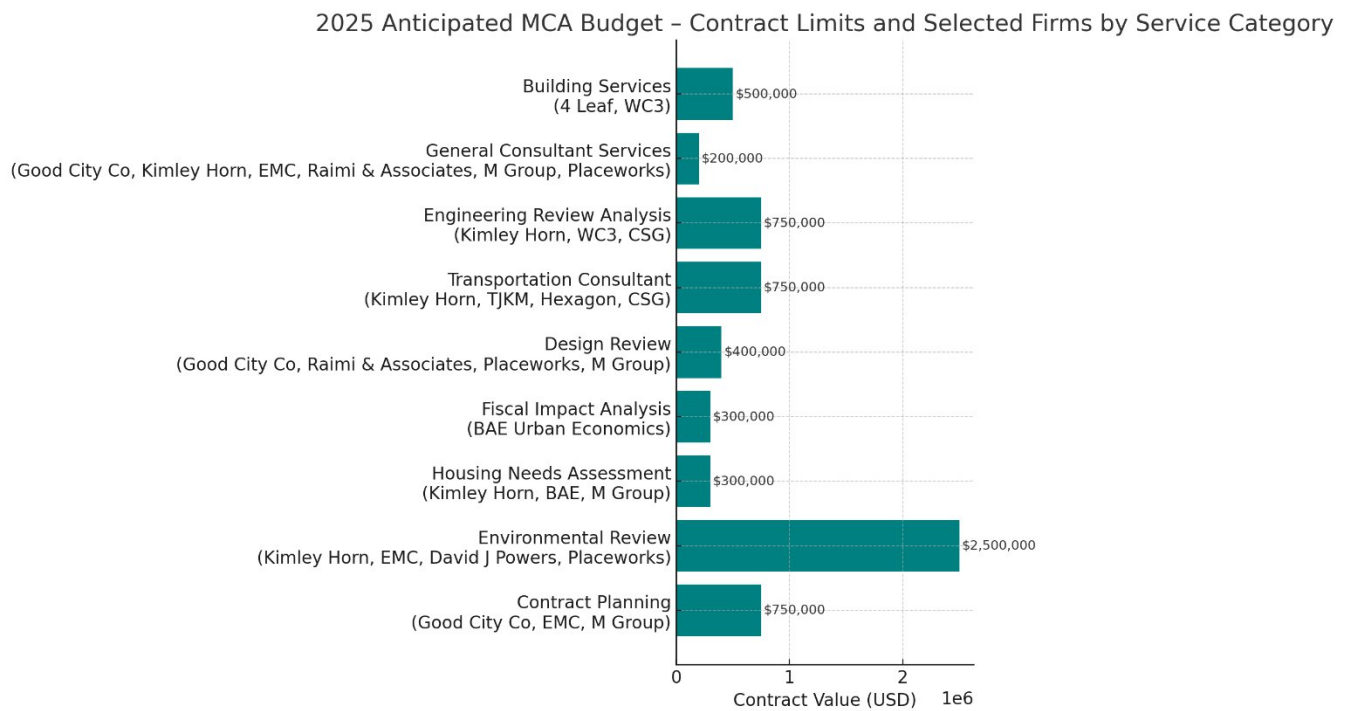


Figure: Contract values and selected firms by service category for the 2025 Planning RFP.

These firms were selected based on their qualifications, technical expertise, local experience and ability to provide high-quality on-call services in support of planning and development initiatives. The contract values reflect not-to-exceed thresholds for services rendered on an as-needed basis. Multiple consultants have been selected for some categories to provide the City with a deep bench of experts to support staff in the processing of applications. Once it is determined that a development application needs a consultant(s) and a reimbursement agreement is needed, City staff would reach out to the consultant list in that service category, assess their knowledge and familiarity of the project and site, and request availability as well as their approach to the proposed scope of work. If more than one consultant is available and fits the needs to the project, then City staff will try to narrow the selection using previous experience



CONSENT ITEM 3.3

with similar projects or alternate between consultants to ensure fairness and equal distribution of opportunities to work with the City. Scopes of work will be sent out to and approved by the applicant, consultant, and finally with the City to fully execute the reimbursement agreement. The proposed contract amounts are based on anticipated work and recent experience. For example, the majority of consultant help through the MCA process was for environmental review and engineering/transportation analyses, and the contract amount reflects this.

Next Steps

If approved, MCAs will be executed, in a form approved by the City Attorney. If a consultant had a former MCA with the City, the previous reimbursement agreements will be transferred under these new MCAs. The new MCAs will be executed and be effective no later than July 1, 2025, in order to avoid a lapse in coverage. Currently there are eight DRAs and five MFRAs active. All consultants with active scopes of work under the current MCAs have been selected under this new procurement, and thus, there is no anticipated gap in service. A letter detailing this new MCA will be sent out to all developers/applicants to inform them of the new set of MCAs, but the DRAs or MFRAs will not need to be modified.

Fiscal Impact

There is no net fiscal impact to the City. The City will enter into reimbursement agreements for all related professional services and other allowable costs incurred in relation to the submitted development applications. Such activity is often referred as “Pass Through” development revenues and expenditures. It is anticipated this activity will be accounted in the upcoming FY 2025-26 budget and in future fiscal budgets for as long as the MCAs are active.

Public Notice

The public was provided notice by making the agenda and report available on the City’s website and on a bulletin board located at City Hall: 2415 University Avenue, East Palo Alto.

Environmental

The proposed action does not constitute a “project” with the meaning of the California Environmental Quality Act (“CEQA”) pursuant to CEQA Guidelines sections 15378(b)(4) and (5) in that it is a governmental fiscal, organizational or administrative activity that will not result in direct or indirect changes in the environment.

Government Code § 84308

Applicability of Levine Act: Yes.

Analysis of Levine Act Compliance: The signatories for the various agreements are as follows below. Staff is unaware of any other parties or participants relevant to the Council’s consideration of this item.

1. Good City Company: Aaron Aknin – Principal and Co-Owner



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2. Kimley Horn: Danae Hall – Contract Manager
3. 4 Leaf: Michael Renner – Executive Project Manager
4. Daniel Hortert – Project Manager/ Director of Planning
5. EMC: Michael J. Groves – President and Senior Principal
6. David J Powers: Akoni Danielsen – Principal Project Manager
7. BAE Urban Economics: Stephanie Hagar – Principal
8. Raimi and Associates: Matt Raimi – President
9. M Group: Tom Ford – Principal-In-Charge and Point of Contact
10. WC3: Donald Zhao – Vice President
11. Placeworks: Bruce Brubaker – Principal
12. TJKM: Ruta Jariwala – Vice President
13. Hexagon: Michelle Hunt – Vice President & Principal Associate
14. CSG: Hatem Ahmed – Contract Manager

Attachments

1. Resolution

RESOLUTION NO. XX– 2024**A RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF EAST PALO ALTO****AUTHORIZING THE CITY MANAGER TO NEGOTIATE, AWARD AND EXECUTE MASTER CONSULTANT AGREEMENTS WITH SELECTED FIRMS FOR PLANNING DIVISION ON-CALL PROFESSIONAL CONSULTING SERVICES FOR A COLLECTIVE NOT-TO-EXCEED COST OF \$6,450,000 FOR THE TERM OF FOUR YEARS, WITH AN OPTION FOR THE CITY MANAGER TO EXTEND FOR UP TO TWO ADDITIONAL ONE YEAR EXTENSIONS**

WHEREAS, the City of East Palo Alto has experienced a significant increase in development review activity and project volume, requiring additional professional support to ensure timely and thorough processing; and

WHEREAS, to address these demands and maintain service levels, the City issued a Planning on-call request for proposals (RFP) on February 21, 2025, to formally solicit qualified firms to provide consulting services across multiple planning-related disciplines; and

WHEREAS, the City received a total of 46 proposals from 16 consulting firms across all service categories, and staff conducted a formal evaluation based on qualifications, technical expertise, and responsiveness; and

WHEREAS, based on the results of the evaluation process, staff identified firms to provide on-call consulting support for Designated Contract Planning, Environmental Review, Housing Needs Assessment, Fiscal Impact Analysis, Design Review, Engineering Review, Transportation, General Consultant services, and Building Services; and

WHEREAS, the selected firms will enter into individual master consultant agreements (MCAs) to provide services on an as-needed basis over a four-year term, with an optional two one-year extensions at the City Manager’s discretion, for a total cumulative not-to-exceed amount of \$6,450,000; and

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of East Palo Alto hereby:

1. Finds the foregoing recitals are true and correct, and are incorporated by this reference into this action;
2. Authorizes the City Manager to negotiate, award and execute MCAs with selected firms for Planning on-call professional consulting services for a collective not to exceed cost of \$6,450,000 for the term of four years, with an option to extend for up to two additional one-year extensions at the City Manager’s discretion;
3. Delegate authority to the City Manager to utilize Developer Reimbursement Agreements, and Master Fee Reimbursement Agreements, in a form approved by the City Attorney, to establish terms of reimbursement for professional services and other allowable costs incurred related to development applications; and

4. Authorizes the City Manager further to execute any amendments or administrative modifications necessary to carry out the intent of these agreements, including term extension, provided such modifications do not exceed the authorized not-to-exceed limits; and

5. Finds that the proposed action does not constitute a “project” with the meaning of the California Environmental Quality Act (“CEQA”) pursuant to CEQA Guidelines sections 15378(b)(4) and (5) in that it is a governmental fiscal, organizational or administrative activity that will not result in direct or indirect changes in the environment.

PASSED AND ADOPTED this 6th day of May, 2025, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Martha Barragan, Mayor

ATTEST:

APPROVED AS TO FORM:

James Colin, City Clerk

John D. Lê, City Attorney



EAST PALO ALTO CITY COUNCIL STAFF REPORT

DATE: May 6, 2025
TO: Honorable Mayor and Members of the City Council
VIA: Melvin E. Gaines, City Manager
BY: Jeff Liu, Police Chief and John D. Lê, City Attorney
SUBJECT: **Illegal Fireworks Ordinance**

Recommendation

By motion:

1. Waive the second reading and adopt an ordinance repealing Article I (FIREWORKS) of Chapter 8.20 (Fireworks and Explosives) of the East Palo Alto Municipal Code and add a new Article I (Fireworks) governing the use and possession of illegal fireworks by occupants and owners of real property; and
2. Find that the proposed action does not constitute a “project” with the meaning of the California Environmental Quality Act (“CEQA”) pursuant to CEQA Guidelines sections 15378(b)(4) and (5) in that it is a governmental fiscal, organizational or administrative activity that will not result in direct or indirect changes in the environment, or is otherwise exempt under 15378 (regulatory actions), Section 15061(b)(3) (no significant environmental impact), and Section 15183 (actions consistent with the general plan and zoning).

Alignment with City Council Strategic Plan

This recommendation is primarily aligned with:

Priority: Promote Health & Public Safety

Priority: Ensure Our Financial and Organizational Health

Background

Multiple times a year, the East Palo Alto Police Department educates the public about the dangers of the use and possession of illegal fireworks. Pursuant to Chapter 8.20 (Fireworks and

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Explosives), the City prohibits the illegal use of fireworks, including by holding meetings at the YMCA.

On June 21, 2022, the Council adopted an urgency ordinance attempting to strengthen the regulatory tools at the disposal of the Police Department.

Recently, staff presented an ordinance to the Council to clarify the liability to those who also allow their real property for the use and possession of illegal fireworks where they have knowledge or should know of such violations. On April 15, 2025, the Council made two minor amendments on the dais:

1. Allow for safe and sane fireworks on two holidays: Fourth of July and New Year's Day.
2. Amend the lead time for a public display application from 90 days to 45 days.

After making the foregoing amendments, the Council introduced the attached ordinance with the following vote:

AYES: Mayor Barragan, Vice Mayor Dinan, and Councilmembers Romero, Lincoln, and Abrica.
NOES: NONE.
ABSENT: NONE.
ABSTAIN: NONE.

Analysis

Except alterations as provided for in Government Code Section 36934, because no modifications have been made since the first reading, staff recommends that the Council adopt the proposed ordinance in its entirety, in addition to finding that such action is exempt from CEQA for the reasons set forth below.

Fiscal Impact

There is no fiscal impact for this item.

Public Notice

The public was provided notice by making the agenda and report available on the City's website and on a bulletin board located at City Hall: 2415 University Avenue, East Palo Alto.

Environmental

This Ordinance is not subject to CEQA because it is not a "project" which would have a direct physical change or a reasonably foreseeable indirect physical change on the environment pursuant to California Environmental Quality Act ("CEQA") Guidelines section 15378. Even if it were a project subject to CEQA review, this project would be exempt from CEQA Guideline

 **CONSENT ITEM 3.4**

Section 15378 (regulatory actions), Section 15061(b)(3) (no significant environmental impact), and Section 15183 (actions consistent with the general plan and zoning).

Government Code § 84308

Applicability of Levine Act: No, as the proposed action does not involve an entitlement.

Analysis of Levine Act Compliance: Not applicable.

Attachments

1. Draft Ordinance (Amended in Redline)



ORDINANCE NO. _____

**AN ORDINANCE OF THE CITY COUNCIL
OF THE CITY OF EAST PALO ALTO**

REPEALING ARTICLE I (FIREWORKS) OF CHAPTER 8.20 (FIREWORKS AND EXPLOSIVES) OF THE EAST PALO ALTO MUNICIPAL CODE AND ADDING A NEW ARTICLE I (FIREWORKS) TO GOVERN USE AND POSSESSION OF FIREWORKS BY OCCUPANTS AND OWNERS OF REAL PROPERTY

WHEREAS, the use of dangerous and unregulated fireworks within the City of East Palo Alto is a substantial public health, safety, and welfare concern; and

WHEREAS, the use and possession of fireworks continues to pose a serious risk of fire, in the wake of a year that saw significant damage from wildfires in the State of California, with predicted continued environmental conditions favorable to spontaneous fires, including dry and hot weather, low moisture conditions, severe drought; and

WHEREAS, recently illegal use of fireworks caused a brush fire in a residential zone in the City of East Palo Alto; and

WHEREAS, in recent years, the City has seen a substantial proliferation in the use and possession of illegal fireworks, and an abject disregard for the welfare of others impacted by such illegal use; and

WHEREAS, despite the City’s efforts on an annual basis to educate residents of the dangers of the illegal use and possession of fireworks and to enforce the City’s local laws concerning the same, the City has seen a substantial proliferation in the use and possession them seemingly unabated; and

WHEREAS, accordingly, there is a demonstrated need for robust enforcement tools with which law enforcement and emergency responders can hold those posing a significant risk to public health, safety and welfare of the community accountable, including a penalties regime that will assist the City in financing further enforcement and providing sufficient deterrence from future violations; and

WHEREAS, with the Fourth of July holiday approaching, the serious risk of fire present in the City of East Palo Alto and the serious risk of fire-related injuries stemming from such illegal use, there is an urgent need to provide law enforcement and emergency responders the regulatory tools necessary to safeguard this threat to the public health, safety, and welfare.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF EAST PALO ALTO DOES ORDAIN AS FOLLOWS:



SECTION 1. INCORPORATION OF RECITALS. The City Council finds that all the foregoing recitals are true and correct and incorporated herein by reference.

SECTION 2: REPEAL OF ARTICLE I (FIREWORKS AND EXPLOSIVES). Article I (Fireworks) of Chapter 8.20 (Fireworks and Explosives) of the City of East Palo Alto Municipal Code is hereby repealed in its entirety:

SECTION 3: ADD NEW ARTICLE I (FIREWORKS AND EXPLOSIVES). A new Article I (Fireworks) of Chapter 8.20 (Fireworks and Explosives) of the City of East Palo Alto Municipal Code is added as follows:

ARTICLE I (FIREWORKS) OF CHAPTER 8.20 (FIREWORKS AND EXPLOSIVES)

SEC. 8.20.010. DEFINITIONS.

“Dangerous fireworks” shall have the meaning ascribed to it in Section 12505 of the California Health and Safety Code, and such other fireworks as may be determined to be dangerous by the state fire marshal and altered safe and sane fireworks.

“Fireworks” shall have the meaning ascribed to it in Section 12511 of the California Health and Safety Code, .

“Responsible person” means any person, who allows, causes, creates, maintains, or permits a violation of this Article or of state or federal law, to exist or continue, by any act or the omission of any act or duty.

“Safe and sane fireworks” shall have the meaning ascribed to it in Section 12529 of the California Health and Safety Code.

SEC. 8.20.020. PROHIBITIONS.

- A. Except as otherwise provided for by this Chapter, including the use of safe and sane fireworks on the Fourth of July and New Year’s Day, no person shall, use, or discharge, any fireworks within the limits of the city of East Palo Alto.
- B. Except as otherwise provided for by this Chapter, no person shall sell, offer for sale, or display for sale, any dangerous fireworks within the limits of the city of East Palo Alto.
- C. Except as authorized by the fire chief in accordance with the currently adopted California Fire Code, no property owner, tenant, or any occupant of real property shall allow or permit the sale, offer to sell, display for sale, or possess dangerous fireworks on their property when the property owner, tenant, or occupant knows or should know of the sale, offer to sell, or possession of dangerous fireworks at the property.



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- D. Except as otherwise provided in this Article, no person shall possess twenty-five pounds or less (gross weight including packaging) of any dangerous fireworks.
- E. It is unlawful for any person having the care, custody, or control of a minor (under eighteen years old) to permit such minor to sell, display for sale, possess, use, or discharge dangerous fireworks.
- F. Causing, permitting, aiding, abetting, or concealing a violation of any provision of this section shall also constitute a violation.

SEC. 8.20.030. SEIZURE OF FIREWORKS

- A. The fire code official and police officers shall have the authority to seize, take and remove fireworks and/or safe and sane fireworks stored, sold, offered for sale, used or handled in violation of the provisions of this Article and State law.

SEC. 8.20.040 PERMIT FOR PUBLIC DISPLAY OF FIREWORKS.

- A. No person shall conduct, cause, allow, permit, aid, abet or suffer a public display of fireworks without having first obtained a written permit from the city manager.
- B. Each permit application shall be accompanied by an application fee in an amount established by resolution of the city council.
- C. A public display of fireworks permit shall issue only for an application that is filed with the city manager not less than forty five (45) days in advance of the date of the proposed display and shall issue only for a display that is to be held and conducted by a public entity, fair, association, or similar organization, at a single location for a single display that is accessible to the community as a whole. In determining whether a proposed event is accessible to the community, the city manager shall consider, but is not limited to considering, the following: (1) location of the event; (2) adequacy of space to accommodate the display and a substantial portion of the community as attendee; (3) transportation routes; (4) the availability of public transportation to the display site; (5) availability and adequacy of parking; (6) and time of the display. An event not accessible to a substantial portion of the community, such as a block party or a private event, is prohibited.
- D. The city manager shall have the authority to adopt reasonable rules and regulations for the granting of permits, including, but not limited to, applicant's provisioning of security to assure protection of the public and property, and requiring insurance in a form and amount approved by the city attorney, for discharging fireworks and supervised public display pursuant to Section 12640 (necessity of permit) of the California Health and Safety Code, and those activities contained therein that are necessary to the furtherance of such display.



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- E. Each public use or display shall be handled by a licensed pyrotechnic operator, as defined by Section 12527 of the California Health and Safety Code, in accordance with local and state law, and the display shall be of such character and so located, discharged, or fired that in the opinion of the fire chief who in consultation with the police chief, after proper investigation, finds the display will avoid ignition of fire and shall not be hazardous or endanger any person or property.
- F. The city manager shall deny an application for a permit if the fire chief, in consultation with the police chief, finds that such safety conditions cannot reasonably be met, that the display is not accessible to the community, or the applicant has failed to meet the reasonable rules and regulations pertaining to granting of display permits.

SEC. 8.20.050. PENALTIES FOR VIOLATIONS.

- A. Each violation of this Article shall be a misdemeanor and shall be punishable by a fine not exceeding one thousand dollars (\$1,000) and/or six months in jail.
- B. Violations of this Article shall be punishable by a civil fine in an amount set forth by the city council by resolution. Any civil fine assessed and collected for a violation of this Article, may include the actual costs associated with the collection, transportation, and disposal of any seized fireworks, in accordance with the regulations duly adopted by the state fire marshal. Civil fines assessed and collected for a violation of this section shall not be subject to California Health and Safety Code Section 12706.
- C. Each violation of this Article shall also be punishable by an administrative fine in the amount of \$1,000, which may be modified by the city council resolution.
- D. Administrative fines shall be issued and processed in accordance with the provisions of Title I (General Provisions) of the East Palo Alto Municipal, pertaining to administrative citations except that a “responsible person” shall be as defined in this Article.
- E. Any person issued a subsequent citation, fine, or notice of violation pursuant to this Article within a twelve (12) month period, in addition to any penalties set forth herein, may also be required to pay for response costs incurred in responding to a call for service or incident independently discovered by the City under this Article. All violators shall be jointly and severally liable for any response costs incurred.
- F. The remedies provided by this Article are cumulative and in addition to any other remedy available at law or in equity.

SECTION 4. CALIFORNIA ENVIRONMENTAL QUALITY ACT.

This Ordinance is not subject to CEQA because it is not a “project” which would have a direct physical change or a reasonably foreseeable indirect physical change on the environment pursuant to California Environmental Quality Act ("CEQA") Guidelines section 15378. Even if it were a project subject to CEQA review, this project would be exempt from CEQA Guideline Section 15378 (regulatory actions), Section 15061(b)(3) (no significant environmental impact), and Section 15183 (actions consistent with the general plan and zoning).

SECTION 5. IMPLIED REPEAL.

Any provision of the East Palo Alto Municipal Code inconsistent with this Ordinance, to the extent of such inconsistencies and no further, is hereby repealed or modified to the extent necessary to effectuate this Ordinance.

SECTION 6. SEVERABILITY.

If any section, subsection, sentence, clause, phrase, or word of this Ordinance is for any reason held to be invalid by a court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance. The City Council hereby declares it would have passed and adopted this Ordinance, and each and all provisions hereof, irrespective of the fact that one or more provisions may be declared invalid.

SECTION 7. EFFECTIVE DATE.

This Ordinance shall take effect and be in full force thirty (30 days after the date of its adoption.

SECTION 8. PUBLICATION.

The City Clerk is hereby directed to cause publication of this Ordinance as required by Government Code Section 36933.

This Ordinance was introduced at the April 15, 2025 meeting of the City Council of the City of East Palo Alto.

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CONSENT ITEM 3.4

PASSED AND ADOPTED this _____ day of _____, 2025 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Martha Barragan, Mayor

ATTEST:

APPROVED AS TO FORM:

James Colin, City Clerk

John D. Lê, City Attorney



EAST PALO ALTO CITY COUNCIL STAFF REPORT

DATE: May 6th, 2025
TO: Honorable Mayor and Members of the City Council
VIA: Melvin E. Gaines, City Manager
BY: Lucero Avila-Garcia
SUBJECT: Recognizing & Celebrating Municipal Clerks Week

Recommendation

Present the Proclamation

Attachments

1. Proclamation

**PROCLAMATION OF THE CITY OF EAST PALO ALTO
IN RECOGNITION & CELEBRATION OF THE 56th ANNUAL PROFESSIONAL
MUNICIPAL CLERKS WEEK MAY 4 – 10, 2025**

WHEREAS, The Office of the Professional Municipal Clerk, a time honored and vital part of local government exists throughout the world, and

WHEREAS, The Office of the Professional Municipal Clerk is the oldest among public servants, and

WHEREAS, The Office of the Professional Municipal Clerk provides the professional link between the citizens, the local governing bodies and agencies of government at other levels, and

WHEREAS, Professional Municipal Clerks have pledged to be ever mindful of their neutrality and impartiality, rendering equal service to all.

WHEREAS, The Professional Municipal Clerk serves as the information center on functions of local government and community.

WHEREAS, Professional Municipal Clerks continually strive to improve the administration of the affairs of the Office of the Professional Municipal Clerk through participation in education programs, seminars, workshops and the annual meetings of their state, provincial, county and international professional organizations.

WHEREAS, It is most appropriate that we recognize the accomplishments of the Office of the Professional Municipal Clerk.

NOW, THEREFORE BE IT RESOLVED THAT, I, Martha Barragan, Mayor of City of East Palo Alto, do recognize the week of May 4 through 10, 2025, as Professional Municipal Clerks Week, and further extend appreciation to our Professional Municipal Clerk, James Colin and to all Professional Municipal Clerks for the vital services they perform and their exemplary dedication to the communities they represent.

Dated: May 6, 2025



Martha Barragan, Mayor



EAST PALO ALTO CITY COUNCIL STAFF REPORT

DATE: May 6, 2025

TO: Honorable Mayor and Members of the City Council

VIA: Melvin E. Gaines, City Manager

BY: Nancy Murguia, Management Analyst
Humza Javed, Public Works Director

SUBJECT: Authorize the Acceptance of Grant Funding from Peninsula Clean Energy Authority for the City's Electric Vehicle Charging Station Project, FA-10

Recommendation

Adopt a resolution:

1. Authorizing the City Manager to negotiate and execute an agreement with Peninsula Clean Energy Authority (PCEA), accepting the Member Agency Energy grant award in the amount of Two hundred Forty-Three Thousand Five Hundred Sixty-Three dollars (\$243,563.) for the City's Electric Vehicle Charging Station project; and
2. Finding that the proposed action is exempt from the California Environmental Quality Act ("CEQA") under State CEQA Guidelines Section 15303 (Class 3), which exempts from further CEQA review the construction and location of limited numbers of new, small facilities or structures, installation of small new equipment and facilities in small structures, and the conversion of existing small structures from one use to another where only minor modifications are made to the exterior of the structure, as the lease envisions use of a temporary structures on site for offices.

Alignment with City Council Strategic Plan

This recommendation is primarily aligned with:

Priority: Promote Health & Public Safety

Background

The City's 2030 Climate Action Plan aims to reduce per capita carbon emissions by 55% below 2005 levels by 2030 and aspires to achieve carbon neutrality by 2045. Key strategies identified in this Plan include promoting energy efficiency, supporting the transition to clean energy sources, and enhancing community resilience against climate change impacts.

City Fleet and Climate Action Plan Strategies

The City Council has expressed strong interest in adding electric vehicles (EVs) to the City's fleet. This addition will present a change to current vehicle operations procedures, in particular charging the vehicles. East Palo Alto's adopted 2030 Climate Action Plan and Adaptation Strategies (available at [here](#)) emphasizes electrification as a key mechanism to achieving emissions reductions and improving pervasive air quality issues in the community. As part of the City's commitment to sustainability, transitioning to an electric fleet is a key priority.

Peninsula Clean Energy Authority and the EV Ready Incentives Program

In 2016, San Mateo County and its twenty jurisdictions unanimously voted to establish Peninsula Clean Energy Authority (PCEA) as a public energy agency. As a Community Choice Aggregation (CCA), PCEA is responsible for procuring energy on behalf of its member agencies, including the City of East Palo Alto. By operating as a locally governed entity, PCEA provides communities with greater influence over their energy procurement, enabling tailored solutions that prioritize sustainability and cost-effectiveness.

PCEA's mission focuses on reducing greenhouse gas emissions and increasing the share of renewable energy in its energy mix, with a goal of delivering 100% renewable energy by 2030. To achieve this, PCEA has launched several programs to support electrification efforts across municipal, residential, and commercial sectors. One such initiative is the EV Ready Program, which provides design support, charging infrastructure assessments, and financial incentives for the installation of EV charging stations.

Analysis

In alignment with the City's mission to foster a healthier and safer community and commitment to advancing electrification and sustainable initiatives, staff proactively applied for and successfully secured \$243,563 in grant funding from the PCEA in February of 2025 through the Member Agency Energy Grant. The funds will be used towards the City's Electric Vehicle Charging Station Project, FA-10, which includes the installation of four Level 2 EV chargers and four additional "Make-Ready" ports at 1960 Tate Street in East Palo Alto. The grant will be disbursed in two equal installments--the first upon execution of the agreement, and the second upon project completion--requiring the City to appropriate funds to support interim expenses.

Fiscal Impact

The Peninsula Clean Energy (PCE) Member Agency Energy Grant allocated to the City of East Palo Alto amounts to \$243,563. This grant is disbursed in two equal installments: the first half



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upon execution of the agreement and the remaining half upon project completion. Consequently, the City is responsible for covering the secondary 50% of project costs until reimbursement is received upon project completion. This arrangement necessitates the City appropriate funds to ensure continuous progress and timely completion of the electrification project.

The Public Works Department – Environmental Services Division has allocated \$121,782 in FY 2024-25 and FY 2025-26 to account for the expenses to be incurred before full funding is received.

Public Notice

The public was provided notice by making the agenda and report available on the City's website and on a bulletin board located at City Hall: 2415 University Avenue, East Palo Alto.

Environmental

The action being considered by the City Council is exempt from the California Environmental Quality Act ("CEQA") under State CEQA Guidelines Section 15303 (Class 3), which exempts from further CEQA review the construction and location of limited numbers of new, small facilities or structures, installation of small new equipment and facilities in small structures, and the conversion of existing small structures from one use to another where only minor modifications are made to the exterior of the structure, as the lease envisions use of a temporary structures on site for offices.

Government Code § 84308

Applicability of Levine Act: No, as the proposed action does not directly involve an entitlement and implication of consultant agreements were the subject of formal bidding from another agency.

Analysis of Levine Act Compliance: Not applicable.

Attachments

1. Resolution
2. PCEA Agreement Draft



RESOLUTION NO. _____

**A RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF EAST PALO ALTO**

AUTHORIZING THE CITY MANAGER TO NEGOTIATE AND EXECUTE AN AGREEMENT WITH PENINSULA CLEAN ENERGY AUTHORITY (PCEA), ACCEPTING THE MEMBER AGENCY ENERGY GRANT AWARD IN THE AMOUNT OF TWO HUNDRED FORTY-THREE THOUSAND FIVE HUNDRED SIXTY-THREE DOLLARS (\$243,563) FOR AN ELECTRIFICATION PROJECT

WHEREAS, the City of East Palo Alto’s adopted 2030 Climate Action Plan targets a 55% reduction in per capita carbon emissions by 2030 and carbon neutrality by 2045; and

WHEREAS, the addition of electric vehicle (EV) charging infrastructure supports City Council goals to improve public health and air quality while promoting energy efficiency and clean energy solutions within municipal operations; and

WHEREAS, the Peninsula Clean Energy Authority (PCEA), a public energy agency and Community Choice Aggregation provider established by San Mateo County and its jurisdictions, offers programs that support local electrification initiatives; and

WHEREAS, City staff successfully applied for and received approval for a Member Agency Energy Grant from PCEA in the amount of Two Hundred Forty-Three Thousand Five Hundred Sixty-Three Dollars (\$243,563) to support the installation of four Level 2 EV chargers and four additional “Make-Ready” ports at 1960 Tate Street in East Palo Alto; and

WHEREAS, the grant will be disbursed in two equal installments--the first upon execution of the agreement, and the second upon project completion--requiring the City to appropriate funds to support interim expenses; and

WHEREAS, this funding opportunity aligns with the City’s Strategic Plan priority to promote health and public safety by reducing local greenhouse gas emissions and fostering long-term environmental resilience.

NOW, THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF EAST PALO ALTO HEREBY:



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1. Finds the foregoing recitals are true and correct, and are incorporated by this reference into this action;
2. Authorizes the City Manager to negotiate and execute an agreement with Peninsula Clean Energy Authority (PCEA), accepting the Member Agency Energy grant award in the amount of Two hundred Forty-Three Thousand Five Hundred Sixty-Three dollars (\$243,563) for an electrification project; and
3. Finds that the proposed action is exempt from the California Environmental Quality Act ("CEQA") under State CEQA Guidelines Section 15303 (Class 3), which exempts from further CEQA review the construction and location of limited numbers of new, small facilities or structures, installation of small new equipment and facilities in small structures, and the conversion of existing small structures from one use to another where only minor modifications are made to the exterior of the structure, as the lease envisions use of a temporary structures on site for offices.

PASSED AND ADOPTED this 6th of May 2025, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Martha Barragan, Mayor

ATTEST:

APPROVED AS TO FORM:

James Colin, City Clerk

John D. Lê, City Attorney

AGREEMENT BETWEEN THE PENINSULA CLEAN ENERGY AUTHORITY AND EAST PALO ALTO FOR MEMBER AGENCY ENERGY GRANT PROGRAM

This Agreement is entered into this 31 day of March, 2025, by and between the Peninsula Clean Energy Authority, a joint powers authority of the state of California, hereinafter called "PCEA," and East Palo Alto, hereinafter called "Grantee."

* * *

1. Exhibits and Attachments

The following exhibits and attachments are attached to this Agreement and incorporated into this Agreement by this reference:

Exhibit A—Project Description

Exhibit B—Grant Distribution

2. Grant Process

In consideration of the payments set forth in this Agreement and in Exhibit B, Grantee shall implement the Project in accordance with the terms, conditions, and specifications set forth in this Agreement and in Exhibit A.

3. Grant Distribution

In consideration of the Project to be implemented by Grantee in accordance with all terms, conditions, and specifications set forth in this Agreement and in Exhibit A, PCEA shall make a grant payment to Grantee in the manner specified in Exhibit B. PCEA may withhold final grant payment only upon reasonable determination that the work performed materially fails to meet the requirements of Exhibit B, and after providing Grantee written notice and a reasonable opportunity to cure the deficiency. In no event shall PCEA's total fiscal obligation under this Agreement exceed two hundred and forty-three thousand, five hundred and sixty-three dollars (\$243,563). If the Project is terminated due to Grantee's failure to perform in accordance with this Agreement, Grantee shall return any unused grant funds not already committed in good faith to eligible project expenses.

4. Term

Subject to compliance with all terms and conditions, the term of this Agreement shall be from March 31, 2025, through March 31, 2027.

5. Relationship of Parties

It is understood that this is an Agreement by and between independent entities and is not intended to, and shall not be construed to create the relationship of agent, servant, employee, partnership, joint venture or association, or any other relationship whatsoever.

6. Hold Harmless

a. General Hold Harmless

Grantee shall indemnify and save harmless PCEA and its officers, agents, employees, and servants from all claims, suits, or actions of every name, kind, and description resulting from this Agreement, the performance of any work or services required of Grantee under this Agreement, or payments made pursuant to this Agreement brought for, or on account of, any of the following:

(A) injuries to or death of any person, including Grantee or its employees/officers/agents;

(B) damage to any property of any kind whatsoever and to whomsoever belonging;

(C) any sanctions, penalties, or claims of damages resulting from Grantee's failure to comply, if applicable, with the requirements set forth in the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and all Federal regulations promulgated thereunder, as amended; or

(D) any other loss or cost, excluding any loss or cost caused by the negligence or willful misconduct of PCEA and/or its officers, agents, employees, or servants. Grantee's duty to indemnify and save harmless under this Section shall not apply to injuries or damage for which PCEA has been found in a court of competent jurisdiction to be solely liable by reason of its own negligence or willful misconduct.

The duty of Grantee to indemnify and save harmless as set forth by this Section shall include the duty to defend as set forth in Section 2778 of the California Civil Code.

7. Payment of Permits/Licenses

Grantee bears responsibility to obtain any license, permit, or approval required from any agency for work/services to be performed under this Agreement at Grantee's own expense prior to commencement of said work/services. Failure to do so, after reasonable notice and opportunity to cure, may result in suspension or withholding of funds distribution under this Agreement.

8. Insurance

PCEA shall not be responsible for the provision of any insurance policy on behalf of the Grantee.

The parties understand and agree that Grantee shall not commence work using the grant funds without insurance coverage appropriate to its specific project and as reviewed by Grantee's own legal counsel and/or Risk Manager.

9. Compliance With Laws

The Project to be performed by Grantee pursuant to this Agreement shall be performed in accordance with all applicable Federal, State, County, and municipal laws, ordinances, and regulations, including but not limited to the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and the Federal Regulations promulgated thereunder, as amended (if applicable), the Business Associate requirements set forth in Attachment H (if attached), the Americans with Disabilities Act of 1990, as amended, and Section 504 of the Rehabilitation Act of 1973, which prohibits discrimination on the basis of disability in programs and activities receiving any Federal or County financial assistance. The Project shall also be performed in accordance with all applicable ordinances and regulations, including but not limited to appropriate licensure, certification regulations, provisions pertaining to confidentiality of records, and applicable quality assurance regulations. In the event of a conflict between the terms of this Agreement and any applicable State, Federal, County, or municipal law or regulation, the requirements of the applicable law or regulation will take precedence over the requirements set forth in this Agreement.

Grantee shall be timely and accurately complete, sign, and submit all necessary documentation of compliance.

10. Retention of Records; Right to Monitor and Audit

(a) Grantee shall maintain all required records relating to the Project under this Agreement for three (3) years after PCEA makes final payment and all other pending matters are closed, and Grantee shall be subject to the examination and/or audit by PCEA, a Federal grantor agency, and the State of California.

(b) Grantee shall comply with all program and fiscal reporting requirements set forth by applicable Federal, State, and local agencies and as required by PCEA.

(c) Grantee agrees upon reasonable notice to provide to PCEA, to any Federal or State department having monitoring or review authority, to PCEA's authorized representative, and/or to any of their respective audit agencies access to records during normal business hours, upon reasonable notice, and in a manner that does not unreasonably interfere with Grantee's operations, to determine compliance with relevant Federal, State, and local statutes, rules, and regulations, to determine compliance with this Agreement, and to evaluate the quality, appropriateness, and timeliness of the Project work.

11. Merger Clause; Amendments

This Agreement, including the Exhibits and Attachments attached to this Agreement and incorporated by reference, constitutes the sole Agreement of the parties to this Agreement and correctly states the rights, duties, and obligations of each party as of this document's date. In the event that any term, condition, provision, requirement, or specification set forth in the body of this Agreement conflicts with or is inconsistent with any term, condition, provision, requirement, or specification in any Exhibit and/or Attachment to this Agreement, the provisions of the body of the Agreement shall prevail. Any prior agreement, promises, negotiations, or representations between the parties not expressly stated in this document are not binding. All subsequent modifications or amendments shall be in writing and signed by the parties.

12. Controlling Law; Venue

The validity of this Agreement and of its terms, the rights and duties of the parties under this Agreement, the interpretation of this Agreement, the performance of this Agreement, and any other dispute of any nature arising out of this Agreement shall be governed by the laws of the State of California without regard to its choice of law or conflict of law rules. Any dispute arising out of this Agreement shall be venued either in the San Mateo County Superior Court or in the United States District Court for the Northern District of California.

13. Notices

Any notice, request, demand, or other communication required or permitted under this Agreement shall be deemed to be properly given when both: (1) transmitted via facsimile to the telephone number listed below or transmitted via email to the email address listed below; and (2) sent to the physical address listed below by either being deposited in the United States mail, postage prepaid, or deposited for overnight delivery, charges prepaid, with an established overnight courier that provides a tracking number showing confirmation of receipt.

In the case of PCEA, to:

Name/Title: Shawn Marshall, Chief Executive Officer
Address: 2075 Woodside Road, Redwood City, CA 94061
Telephone: 650-474-5002
Email: smarshall@peninsulacleanenergy.com

In the case of Grantee, to:

Name/Title: Humza Javed/Public Works Director
Address: 1960 Tate Street, East Palo Alto, CA 94030

Telephone: (650) 422-0499
Email: hjaved@cityofepa.org

14. Electronic Signature

PCEA and Grantee wish to permit this Agreement, and future documents executed pursuant to this Agreement, to be digitally signed in accordance with California law. Any party that agrees to allow digital signature of this Agreement may revoke such agreement at any time in relation to all future documents by providing notice pursuant to this Agreement.

15. No Recourse Against PCEA's Member Agencies

Grantee acknowledges and agrees that PCEA is a Joint Powers Authority, which is a public agency separate and distinct from its member agencies. All debts, liabilities, or obligations undertaken by PCEA in connection with this Agreement are undertaken solely by PCEA and are not debts, liabilities, or obligations of its member agencies. Grantee waives any recourse against PCEA's member agencies.

* * *

In agreement with this Agreement's terms, the parties, by their duly authorized representatives, affix their respective signatures:

PENINSULA CLEAN ENERGY
AUTHORITY

EAST PALO ALTO

By: _____
Shalini Swaroop, Chief Operating Officer

By: _____
Melvin E. Gaines, City Manager

Date: _____

Date: _____

APPROVED AS TO CONTENT:

Humza Javed, Public Works Director

APPROVED AS TO FORM:

John D. Lê, City Attorney

Exhibit A

In consideration of the payments set forth in Exhibit B, Grantee shall execute the following project:

See attached proposal

Exhibit B

In consideration of the Project implemented by Grantee described in Exhibit A and subject to the terms of the Agreement, PCEA shall pay Grantee based on the following fee schedule and terms:

Eligible Project Expenses

Expenses funded under this agreement must be in alignment with PCEA's mission and the goals of its Strategic Plan to decarbonize the service territory. Expense must be tangible infrastructure associated with electric power.

Examples of eligible projects:

1. Installation of EV charging infrastructure for fleet or public use
2. Building heat pump systems in government facilities
3. Incentive programs for electrifying landscape equipment, etc.
4. Installation of solar and storage systems
5. Upgrades to efficient street lights

Ineligible projects and costs:

1. Purchase of equipment using fossil fuels
2. Staff time associated with operations and other administrative costs
3. Indirect decarbonization education or general transportation infrastructure such as workshops and bike lanes
4. Production of reports or plans

Payments

1. First payment: \$121,782. Upon execution of this contract.
2. EV Charging payments: Funds for the EV charging project will be disbursed through the PCE EV Ready program. The EV Ready program will disburse funding through its standard process. This shall include the EV Ready standard rebate in addition to added funds from this Member Agency Energy Grant for the EV charging project up to the lesser sum of the following: a) total remaining eligible project costs (after standard rebate), or b) total remaining Member Agency Energy Grant allocation. The required application for the EV Ready program is located at the following link:
https://peninsulacleanenergy.formstack.com/forms/ev_charger_incentives_application
3. Final payment: Balance of funds total funds less prior payments as listed in Sections 1-2 above). Within 45 days following receipt of project invoices for Eligible Project Expenses. Send materials to programs@peninsulacleanenergy.com. PCEA reserves the right to review the

submitted invoices and Grantee must respond to reasonable requests for clarifications on the information provided. PCEA reserves, at its sole discretion, the right to approve and/or reject project invoices from Grantee.

Payment Method

Grantee EFT/ACH details for transfers:

- [account name]
- [financial institution]
- [routing number]
- [account number]
- [account type]



EAST PALO ALTO CITY COUNCIL STAFF REPORT

DATE: May 6, 2025

TO: Honorable Mayor and Members of the City Council

VIA: Melvin E. Gaines, City Manager

BY: Jeff Liu, Chief of Police

SUBJECT: Authorization to accept and appropriate a New Contract with SoundThinking, Inc., formally ShotSpotter Inc.

Recommendation

Adopt a resolution:

1. Authorizing the City Manager to award and execute a new contract with SoundThinking Inc., formerly known as ShotSpotter Inc., in a form approved by the City Attorney, for the services and maintenance of the ShotSpotter Gunshot Detection System in a total amount of \$193,305 over three years (with two one-year options to extend costing \$70,199 and \$72,960 for a total not-to-exceed amount of \$336,463);
2. Finding that, pursuant to Section 2.84.060(B)(17) (exemption established by law), special circumstances warrant an exemption from the bid procedures requiring a formal bid for any contract over \$220,000; and
3. Finding that the proposed action does not constitute a “project” with the meaning of the California Environmental Quality Act (“CEQA”) pursuant to CEQA Guidelines section 15378(b)(5) in that it is a governmental organizational or administrative activity that will not result in direct or indirect changes in the environment.



Alignment with City Council Strategic Plan

This recommendation is primarily aligned with:

Priority No. 1: Enhance Public Safety and Emergency Preparedness

Priority No. 3: Increase Organizational Effectiveness and Efficiency

Priority No. 6: Create a Healthy and Safe Community

Background

ShotSpotter Technologies, now part of SoundThinking, was founded in the mid-1990s to address the growing problem of gun violence in urban areas. The technology was conceived by Dr. Robert Showen, a professor at Stanford University and an expert in acoustics, who was inspired by the gunfire-related challenges in East Palo Alto in the early 1990s. At the time, the City was experiencing a high rate of shootings, but many incidents went unreported or were misidentified by residents. Recognizing that a real-time gunshot detection system could help law enforcement respond more effectively, Dr. Showen developed the concept of using acoustic sensors and algorithms to pinpoint the exact location of gunfire, ensuring a quicker and more accurate police response.

The system works by deploying an array of strategically placed acoustic sensors throughout a city. When a gunshot is fired, the sensors capture the sound and use triangulation to determine its precise location. The data is then analyzed and verified by trained specialists before being sent to law enforcement agencies within seconds. Over the years, ShotSpotter has expanded its presence across the United States and internationally, becoming a critical tool in crime-fighting efforts.

On June 5, 2007, the East Palo Alto City Council authorized an agreement with ShotSpotter Inc., allowing the City to serve as a software validation site. This designation enabled the City to integrate Shotspotter technology within its jurisdiction while providing the company a testing ground for new advancements. In return, the City receives Shotspotter services for a significantly reduced rate.



On July 16, 2019, the City Council approved continued funding for Soundthinking and expanded coverage to include the west side of East Palo Alto, enabling full coverage of the City. The last agreement, established under Resolution No. 5145, expired on February 28, 2025.

Analysis

The Soundthinking system has been a vital tool for the Police Department, enabling a rapid response and ability to pinpoint locations where gunfire occurred. It alerts us to weapon discharges that may go unreported by the community, helps locate victims, increases the probability of capturing suspects, and provides valuable evidence for criminal prosecutions. Additionally, the system allows our department to track and record fireworks activity, providing our department with valuable intelligence.

Soundthinking operates works by detecting gunfire and other explosion-like sounds, pinpointing the exact time and location of the gunfire within inches. After the sounds are analyzed by a digital algorithm and confirmed by the Incident Review Center, the activations are published on the Soundthinking system and alerts are broadcast to dispatch and department personnel.

Since 2007, the Police Department has used Soundthinking to reduce gunfire incidents within East Palo Alto and increase accountability for firearm discharges. Soundthinking has proven to be a vital tool for our Police Department and has been used to significantly improved public safety.

There are other companies that provide gunshot detection services. However, this contract expired in February, so three months later, we do not have time to put out a formal request for proposals, which would likely take another few months. Even if we did do so, it is unlikely that any other company can beat Soundthinking pricing because the company invested critical infrastructure in East Palo Alto, which is an overhead other companies would have to recover.

Without doing a formal bid, staff secured and analyzed three bids to provide gunshot detection services in East Palo Alto from Soundthinking, Flock Safety, and Egle Response Integration.

Soundthinking	\$61,333 / yr (Year 1) to \$72,960 / yr (Year 5)
Flock Safety	\$102,000 / yr
Eagl Response Integration	\$24,725 / mo (\$296,700 / yr)



As predicted, the quotes from the other two companies came in much higher for three to five years than Soundthinking. Based on these quotes, staff recommends entering into a contract with Soundthinking. Under established California case law, competitive bidding is not required where it would be futile, unavailing, or would otherwise, not produce an advantage. (Los Angeles Dredging Co. V. City of Long Beach (1930) 210 Cal. 348; Graydon v. Pasadena Redevelopment Agency (1980) 104 Cal. App. 3d 631). Given the short time frame for this agreement and the three other bids, staff does not believe formal bidding will produce an advantage and on that basis requests that the Council find the contract be exempt under East Palo Alto Municipal Code Section 2.84.060(B)(17).

It is possible that staff could find another company with competitive rates if the City were interested in a long-term contract; perhaps a ten-year contract would allow another company to make such an investment in sensors and other infrastructure. However, entering into a decade-long contract in this line of services is risky as various companies over the years have begun working in this space and eventually left the field. Thus, even in a long-term contract, staff would recommend Soundthinking due to its longevity and reliability.

The Soundthinking contract amount will begin at \$61,333 per year. This amount will increase annually as follows:

Year 1	Year 2	Year 3	Year 4 (optional)	Year 5 (optional)	TOTAL
\$61,333	\$64,401	\$67,571	\$70,199	\$72,960	\$336,463

The cost of years 2 and 3, and years 4 and 5 if the City extends the contract, will be incorporated into future budget requests. The revised contract terms would retroactively take effect on March 1, 2025, and thus, the financial impact for the remainder of the current fiscal year (through June 30, 2025) will be approximately \$5,480. This amount is already covered in the existing budget for the Police Department.

Public Notice

The public was provided notice by making the agenda and report available on the City's website and on a bulletin board located at City Hall: 2415 University Avenue, East Palo Alto.

Environmental



CONSENT ITEM 3.8

The action being considered does not constitute a "Project" within the meaning of the California Environmental Quality Act (CEQA), under CEQA Guideline section 15378 (b)(5), in that it is a government administrative activity that will not result in direct or indirect changes in the environment.

Government Code § 84308

Applicability of Levine Act: Yes.

Analysis of Levine Act Compliance: The signatory for the agreements is Roxanne Lerner, Contracts Director of SoundThinking, Inc. Staff is unaware of any other parties or participants relevant to the Council's consideration of this item.

Attachments

1. Resolution
2. SoundThinking Inc. Quote & Contract
3. Flock Safety Quote
4. Eagl Response Integration Quote

RESOLUTION NO. XX– 2025

**A RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF EAST PALO ALTO**

AUTHORIZING THE CITY MANAGER TO AWARD AND EXECUTE A NEW CONTRACT WITH SOUNDTHINKING INC., FORMERLY KNOWN AS SHOTSPOTTER INC., IN A FORM APPROVED BY CITY ATTORNEY, FOR THE SERVICES AND MAINTENANCE OF THE SHOTSPOTTER GUNSHOT DETECTION SYSTEM IN A TOTAL AMOUNT OF \$193,305 OVER THREE YEARS (WITH TWO ONE-YEAR OPTIONS TO EXTEND COSTING \$70,199 AND \$72,960 FOR A NOT-TO-EXCEED AMOUNT OF \$336,463.00); FINDING THAT PURSUANT TO SECTION 2.84.060(B)(17)(EXEMPTION ESTABLISHED BY LAW), SPECIAL CIRCUMSTANCES WARRANT AN EXEMPTION FROM THE BID PROCEDURES REQUIRING A FORMAL BID FOR ANY CONTRACT OVER \$220,000; AND FINDING THAT THE PROPOSED ACTION DOES NOT CONSTITUTE A PROJECT PURSUANT TO CEQA GUIDELINES SECTION 15378(B)(5).

WHEREAS, the City of East Palo Alto and its residents maintain the technology to assist law enforcement to maintain safety and identify gunfire activation; and

WHEREAS, the SoundThinking Inc. gun activation system provides front line law enforcement, an important tool in locating gunfire detection within our City limits; and

WHEREAS, the Police Department has employed this technology system since 2007 to provide its residents safety and notification of gun activations for our Police Department; and

WHEREAS, on July 16, 2019, the City Council approved a five-year contract with ShotSpotter Inc. for full City Coverage including the westside City limits for gun activation services; and

WHEREAS, the current contract and the first amendment adopted pursuant to Resolution No. 5145 expired on February 28, 2025; and

WHEREAS, the the City secured and analyzed three bids for providing gunshot detection services, and Soundthinking's bid is significantly lower than the other two bids; and

WHEREAS, it is possible a long-term contract would attract better pricing from other bidders, but that is risky whereas Soundthinking has longevity and reliability; and

WHEREAS, the City Council has determined that a new three-year contract for SoundThinking Inc. (with two additional optional years) will continue these important services for our community; and

WHEREAS, under established California case law, competitive bidding is not required where it would be futile, unavailing, or would otherwise, not produce an advantage. (Los Angeles Dredging Co. V. City of Long Beach (1930) 210 Cal. 348; Graydon v. Pasadena Redevelopment Agency (1980) 104 Cal. App. 3d 631). Given the short time frame for this agreement and the three other bids, staff does not believe formal bidding will produce an advantage and that basis requests that the Council find the contract be exempt under East Palo Alto Municipal Code Section 2.84.060(B)(17).

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of East Palo Alto hereby:

1. Finds the foregoing recitals are true and correct, and are incorporated by this action: and
2. Adopts a resolution authorizing the City Manager to award and execute a new contract with SoundThinking Inc., in a form approved by the City Attorney, for the amended services and maintenance of the Gun Activation System formerly known as ShotSpotter Inc. for the Police Department for three-years with two one-year options to extend in contract amount of \$61,333.00 for the first-year and divided according per the new agreement for a total not to exceed \$336,463.00 total amount over five years; and
3. Finding that, pursuant to Section 2.84.060(B)(17)(exemption established by law), special circumstances warrant an exemption from the bid procedures requiring a formal bid for any contract over \$220,000; and
4. Finds that the proposed action does not constitute a “project” with the meaning of the California Environmental Quality Act (“CEQA”) pursuant to CEQA Guidelines sections 15378(b)(5) in that it is a governmental organizational or administrative activity that will not result in direct or indirect changes in the environment.

PASSED AND ADOPTED this 6th day of May 2025, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Martha Barragan, Mayor

ATTEST:

APPROVED AS TO FORM:

James Colin, City Clerk

John D. Lê, City Attorney

SECOND AMENDMENT TO AGREEMENT BETWEEN CITY OF EAST PALO ALTO AND
SHOTSPOTTER, INC.

This Second Amendment to the Principal Agreement made and entered into on May 15, 2019, also referred to as "Agreement," between Shotspotter, Inc., therein referred to as Contractor, and the City of East Palo Alto, a municipal corporation, therein referred to as City, is effective as of the last date of signature below. Except as amended herein, all other terms and conditions of the Agreement shall remain in full force and effect. In the event of a conflict between the terms and conditions of the Agreement and this Second Amendment, the terms and conditions of this Second Amendment shall control. SoundThinking and Customer may also be referred to herein individually as a "Party", or collectively as the "Parties".

WHEREAS, on or about April 10, 2023 ShotSpotter, Inc. changed the company name to SoundThinking, Inc. ("SoundThinking"); and

WHEREAS, on or about April 10, 2023, SoundThinking rebranded its ShotSpotter Respond™ (formerly ShotSpotter Flex™) gunshot detection, location and forensics analysis services as ShotSpotter®; and

WHEREAS, the current subscription term for Customer's ShotSpotter subscription ends February 28, 2025; and

WHEREAS, Customer desires to renew the subscription services for ShotSpotter for an additional thirty-six (36) month term followed by two (2) option years.

NOW, THEREFORE, the Parties agree as follows:

- A. Effective April 10, 2023 and forward, references in the Agreement and any Amendments, to ShotSpotter the company shall mean SoundThinking.
- B. Effective April 10, 2023 and forward, references in the Agreement, and subsequent Amendments, to the product name ShotSpotter Flex™, or ShotSpotter Respond™, shall mean ShotSpotter®.
- C. In consideration for Customer's payment of the annual fees as set forth in SoundThinking quote #EPALOALTO110824r attached hereto as Exhibit A, SoundThinking will renew Customer's ShotSpotter subscription for March 1, 2025 through February 28, 2028.

THIS AMENDMENT ONE REPRESENTS THE ENTIRE UNDERSTANDING AND AGREEMENT OF THE PARTIES WITH RESPECT TO THE SUBJECT MATTER HEREIN. NO DIFFERENT OR ADDITIONAL TERMS CONTAINED IN ANY CONFIRMATION, PURCHASE ORDER, OR OTHER BUSINESS FORM, WRITING OR MATERIAL SHALL HAVE ANY FORCE OR EFFECT UNLESS EXPRESSLY AGREED TO IN WRITING BY THE PARTIES.

SOUNDTHINKING, INC

**CITY OF EAST PALO ALTO,
a municipal corporation**

Signature

Signature

Printed Name

Printed Name

Title

City Manager

Date

Date

ATTEST:

By: _____
City Manager

APPROVED AS TO CONTENT:

By: _____
Chief of Police

APPROVED AS TO FORM:

By: _____
City Attorney

EXHIBIT A
Quote #EPALOALTO11082r



Quote

SoundThinking, Inc.
39300 Civic Center Dr., Suite 300
Fremont, CA 94538-2337
Phone: 888.274.6877 Fax: 650.887.2106

DATE 11/8/2024
Quote # EPALOALTO11082r
Customer ID East Palo Alto PD

Quote For:
Mr. Jaime Zarate
East Palo Alto Police Department
141 Demeter Street
East Palo Alto, CA 94303

Quote valid until: 2/28/2025
Prepared by: D Lashley

Comments or Special Instructions:

Renewal of Annual ShotSpotter (formerly Respond) Subscription Services for an additional three-year term (March 1, 2025 through February 28, 2028) and followed by two option years (February 29, 2028 through February 28, 2030) for the Phase I 2.1 mi² coverage area and the Phase II 0.2 mi² coverage area. These services will be provided under the terms of an Amendment to the Agreement dated May 15, 2019.

SALES DIRECTOR:		Terri Greene	TERMS:		Net 30
QUANTITY (mi ²)	DESCRIPTION	UNIT PRICE (per mi ²)	TAXABLE?	AMOUNT	
2.1	Year One: Annual ShotSpotter Subscription Services for Phase I for 3/1/2025 through 2/28/2026.	\$22,706		\$47,683	
0.2	Year One: Annual ShotSpotter Subscription Services for Phase II for 3/1/2025 through 2/28/2026.	\$68,250		\$13,650	
YEAR ONE SUBTOTAL				\$61,333	
2.1	Year Two: Annual ShotSpotter Subscription Services for Phase I for 3/1/2026 through 2/28/2027.	\$23,842		\$50,068	
0.2	Year Two: Annual ShotSpotter Subscription Services for Phase II for 3/1/2026 through 2/28/2027.	\$71,662		\$14,332	
YEAR TWO SUBTOTAL				\$64,401	
2.1	Year Three: Annual ShotSpotter Subscription Services for Phase I for 3/1/2027 through 2/28/2028.	\$25,034		\$52,571	
0.2	Year Three: Annual ShotSpotter Subscription Services for Phase II for 3/1/2027 through 2/28/2028.	\$75,000		\$15,000	
YEAR THREE SUBTOTAL				\$67,571	



SALES DIRECTOR:		Terri Greene	TERMS:		Net 30
QUANTITY (mi ²)	DESCRIPTION	UNIT PRICE (per mi ²)	TAXABLE?	AMOUNT	
2.1	Option Year Four: Annual ShotSpotter Subscription Services for Phase I for 2/29/2028 through 2/28/2029.	\$26,285		\$55,199	
0.2	Option Year Four: Annual ShotSpotter Subscription Services for Phase II for 2/29/2028 through 2/28/2029.	\$75,000		\$15,000	
OPTION YEAR FOUR SUBTOTAL				\$70,199	
2.1	Option Year Five: Annual ShotSpotter Subscription Services for Phase I for 3/1/2029 through 2/28/2030.	\$27,600		\$57,960	
0.2	Option Year Five: Annual ShotSpotter Subscription Services for Phase II for 3/1/2029 through 2/28/2030.	\$75,000		\$15,000	
OPTION YEAR FIVE SUBTOTAL				\$72,960	
				SUBTOTAL	\$336,463
				TAX RATE	
				SALES TAX	-
				OTHER	-
				TOTAL	\$336,463

Please indicate your acceptance of this quote by issuing a Purchase Order referencing the Quote # above. SoundThinking will issue an invoice once we receive the PO.

If you have any questions concerning this Quote, please contact Karen Isotalo - Vice President, Sales Operations at 510.298.8668 or kisotalo@soundthinking.com



**Flock Safety + CA - East Palo Alto
PD**

Flock Group Inc.
1170 Howell Mill Rd, Suite 210
Atlanta, GA 30318

MAIN CONTACT:
Tariq Bright
tariq.bright@flocksafety.com
4088968551

Created Date: 04/03/2025
Expiration Date: 05/01/2025
Quote Number: Q-133581
PO Number:



Budgetary Quote

This document is for informational purposes only. Pricing is subject to change.

Bill To: 141 Demeter St Palo Alto, California 94303

Ship To: 141 Demeter Street Palo Alto, California 94303

Billing Company Name: CA - East Palo Alto PD
Billing Contact Name:
Billing Email Address:
Billing Phone:

Subscription Term: 24 Months
Payment Terms: Net 30
Retention Period: 30 Days
Billing Frequency: Annual Plan - Invoiced at First Camera Validation.

Hardware and Software Products

Annual recurring amounts over subscription term

Item	Cost	Quantity	Total
Flock Safety Platform			\$102,000.00
Flock Safety Audio Products			
Flock Safety Gunshot Detection - 1mi, fka Raven	Included	2	Included
Flock Safety Gunshot Detection - 1/2mi, fka Raven	Included	1	Included
Flock Safety Gunshot Detection - 1/4mi, fka Raven	Included	1	Included

Professional Services and One Time Purchases

Item	Cost	Quantity	Total
One Time Fees			

Subtotal Year 1:	\$102,000.00
Annual Recurring Subtotal:	\$102,000.00
Estimated Tax:	\$0.00
Contract Total:	\$204,000.00

Taxes shown above are provided as an estimate. Actual taxes are the responsibility of the Customer. This is not an invoice – this document is a non-binding proposal for informational purposes only. Pricing is subject to change.

Product and Services Description

FlockOS Features	Description
Flock Safety Gunshot Detection - 1mi, fka Raven	Gunshot detection - 1 square mile of coverage. Number of units deployed depends on geography and density of area. Gunshot detection is license by coverage area, not number of units.
Flock Safety Gunshot Detection - 1/2mi, fka Raven	Gunshot detection - 1/2 mile of coverage. Number of units deployed depends on geography and density of area. Gunshot detection is license by coverage area, not number of units.
Flock Safety Gunshot Detection - 1/4mi, fka Raven	Gunshot detection - 1/4 mile of coverage. Number of units deployed depends on geography and density of area. Gunshot detection is license by coverage area, not number of units.

FlockOS Features & Description

FlockOS Features	Description
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EAGL TECHNOLOGY BOM ESTIMATE



Estimate # 200654
Date: 4/7/2025

EAGL Account Rep: Jennifer Russell PHONE: 505 934-6671 EMAIL: jen@eagletechnology.com

Customer: E Palo Alto Park Police Dept.

Integrator:

Contact: Jim Zarate

Job Site: E Palo Alto Park

Phone #: 408-891-1458

Job Address:

Email: jzarate@cityofepa.org

Quote Summary:

The following quote is for an EAGL Emergency Response system to be deployed in E Palo Alto Park, California. The provided maps are best case scenario deployment. *EAGL does not commit to exact deployment locations on maps and all mounting locations should be verified for permissions, permitting, and physical candidacy through the appropriate stake holders.*

Please note: DragonFly X must be mounted at 30' for optimum coverage.

BEAT 1, BEAT 2, BEAT 3, BEAT 4 Coverage

- * Cloud subscription server with 3-year agreement
- * Outdoor coverage, Triangulation
- * Monthly subscription and licensing costs to be billed annually

We encourage walking the proposed deployment on-site with the customer to clarify any additional coverage and/or to identify areas needing design changes due to architectural differences between actual observations and supplied print(s). Pricing AND deployment are dependent upon supplied prints and/or specifications and are subject to change due to equipment additions, changes and/or modifications.

Quote pricing is guaranteed for 90 days. Pricing subject to change and does not include shipping or applicable federal, state, local sales or excise taxes.

v.5.6

EAGL QUOTE SHEET

Summary	
<i>Server:</i> Cloud SaaS Server	
<i>Recurring Costs:</i> SaaS Subscription	
<i>Coverage:</i> Outdoor	
<i>Integrations:</i> Eagl Triangulation	
Total Recurring Monthly Costs: \$24,725.00 <i>Recurring charges require 3-year monthly subscription agreement to be invoiced annually.</i>	

Part Id	Description	Price	Qty	TOTALS
Server				
EAGLC0011	EAGL Cloud Service	0.00	1	0.00
Sensors				
DYIOTEX	DragonFly® Extreme IoT - Solar	3,300.00	325	0.00
DYPM	DragonFly® Pole Mount	25.00	325	0.00
Enhancement Function Modules				
EAGLEFM006	Eagl Triangulation	12,000.00	1	0.00
Misc. Hardware				
Ancillary				
SETUPCHG	Software as a Service Account Setup Charge	600.00	1	0.00
Applicable Discounts				

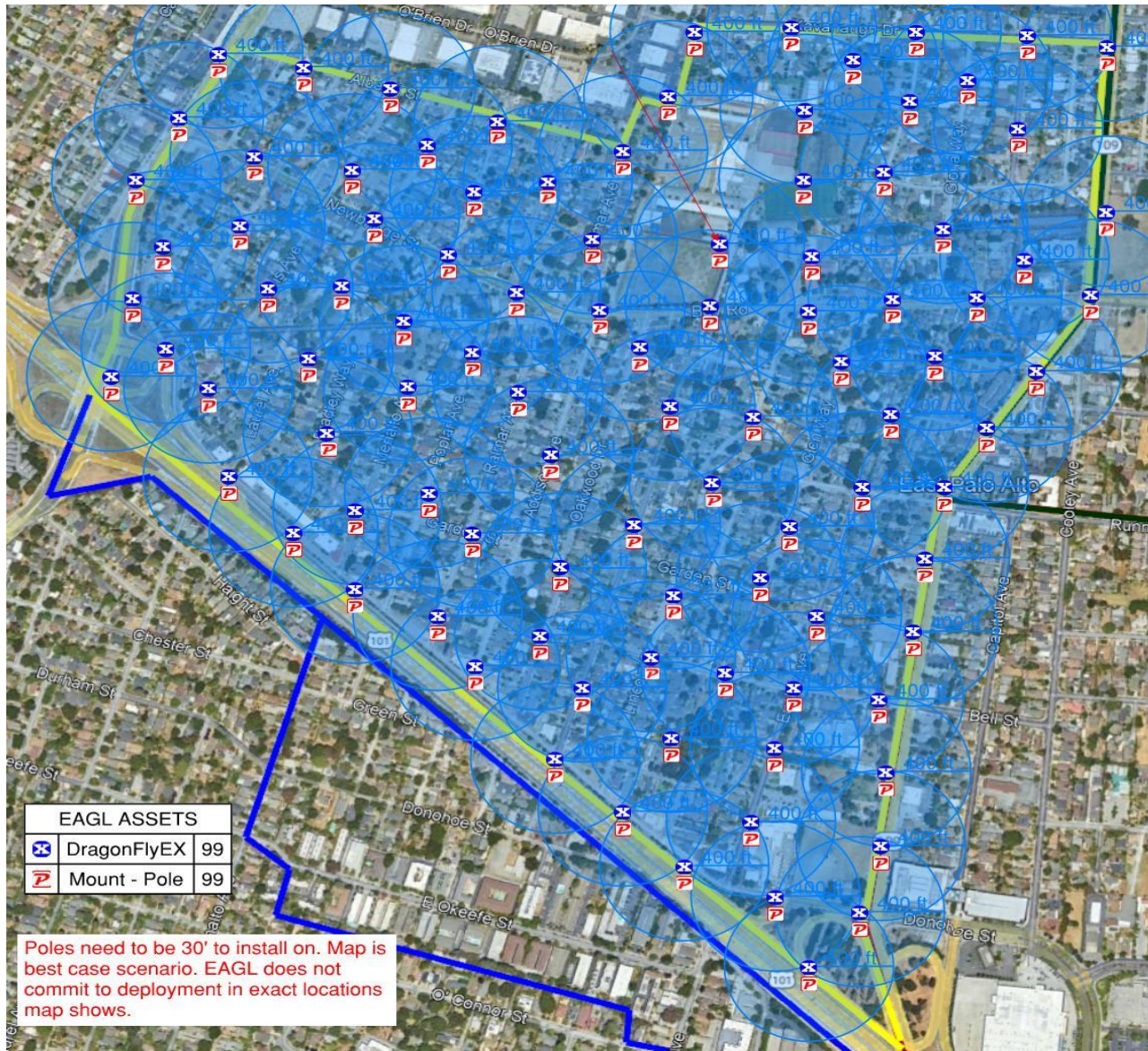
Hardware, Software, Services TOTAL: \$0.00

Monthly Licensing & Subscription Costs

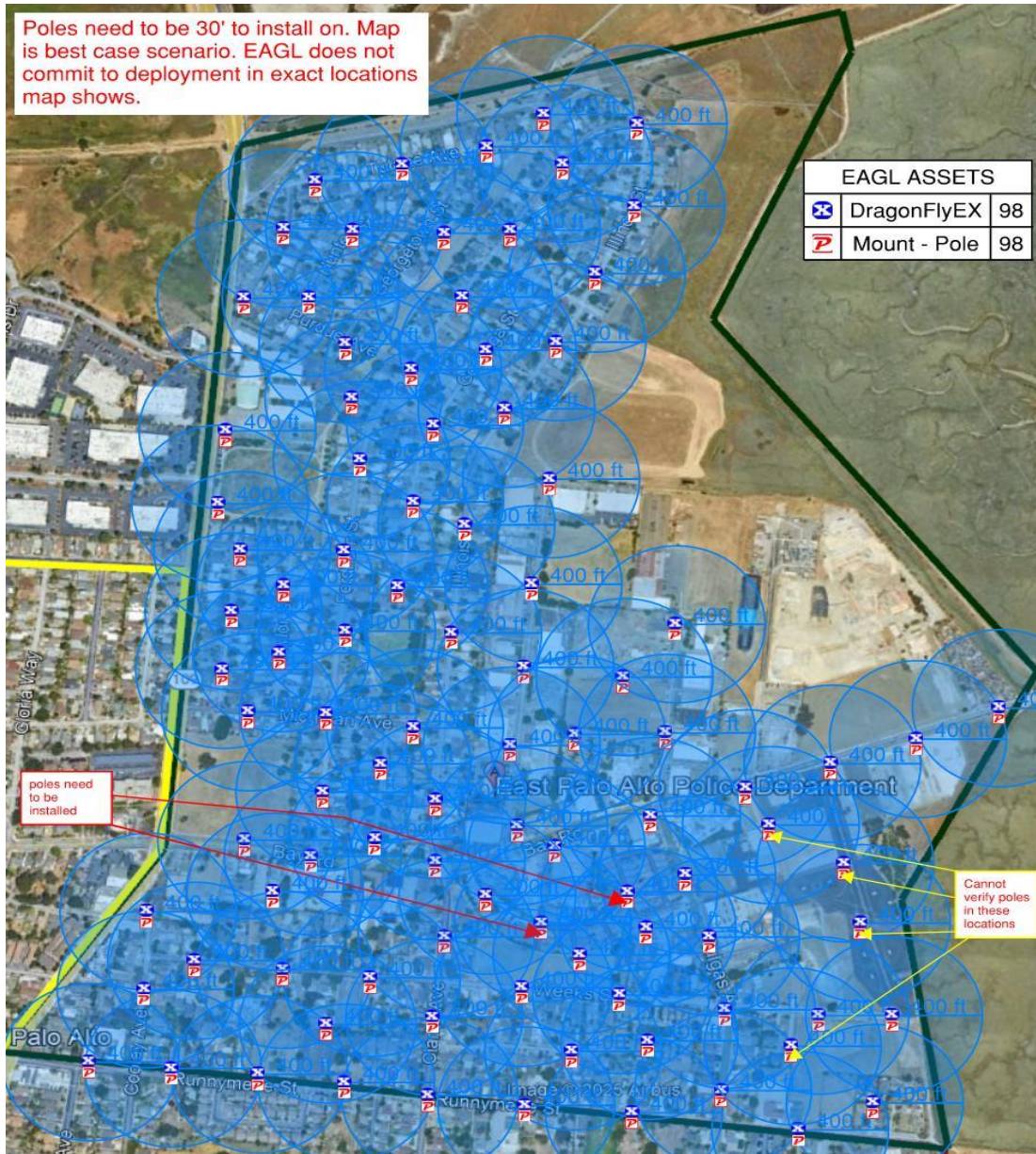
Licensing				
			Monthly Licensing Total:	0.00
<i>Cloud Subscription</i>				
EAGLSaaS-F	Full Subscription - \$ / Month / Device	75.00	325	24375.00
Total Monthly Costs:				\$24,375.00

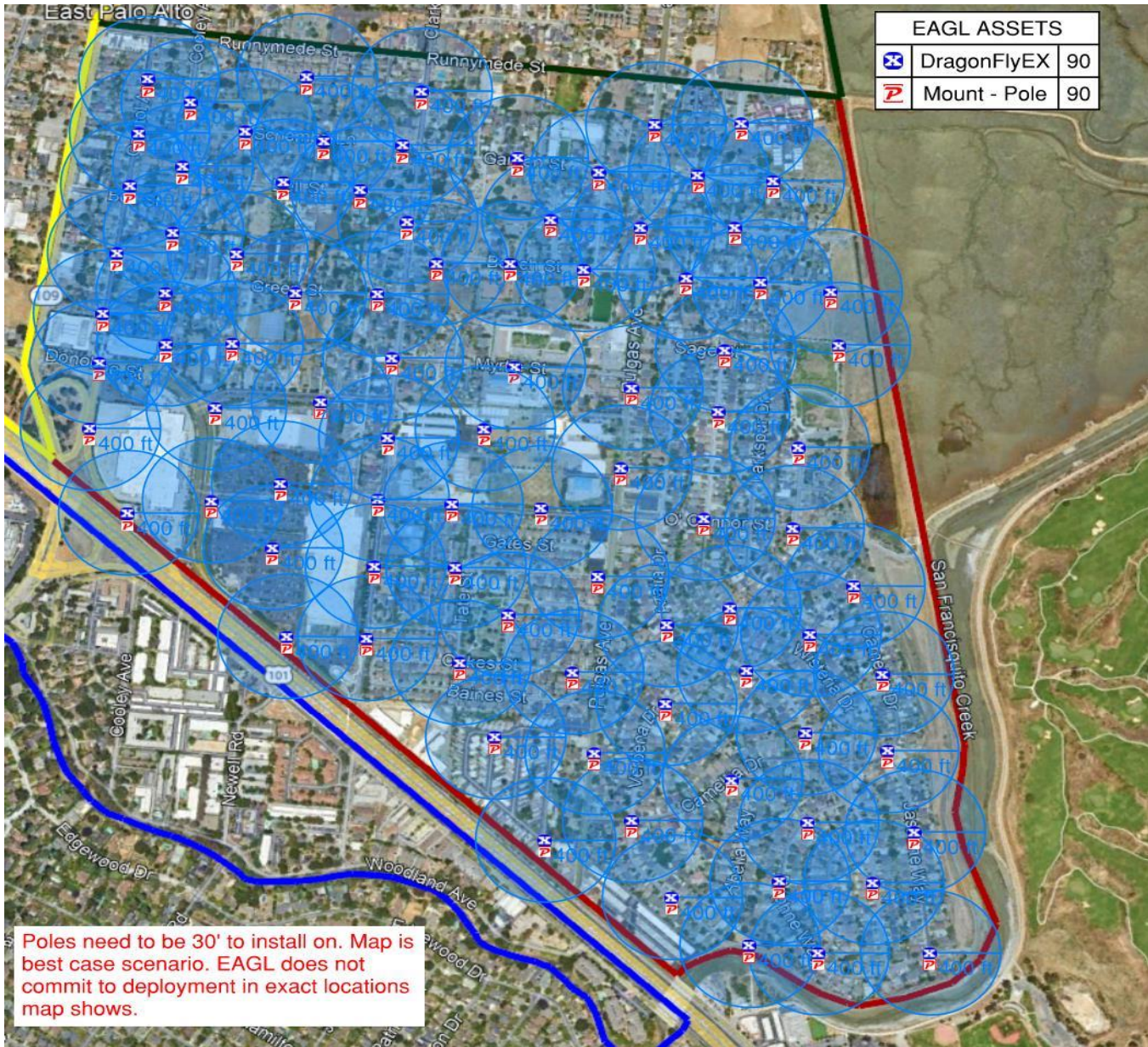
Notes

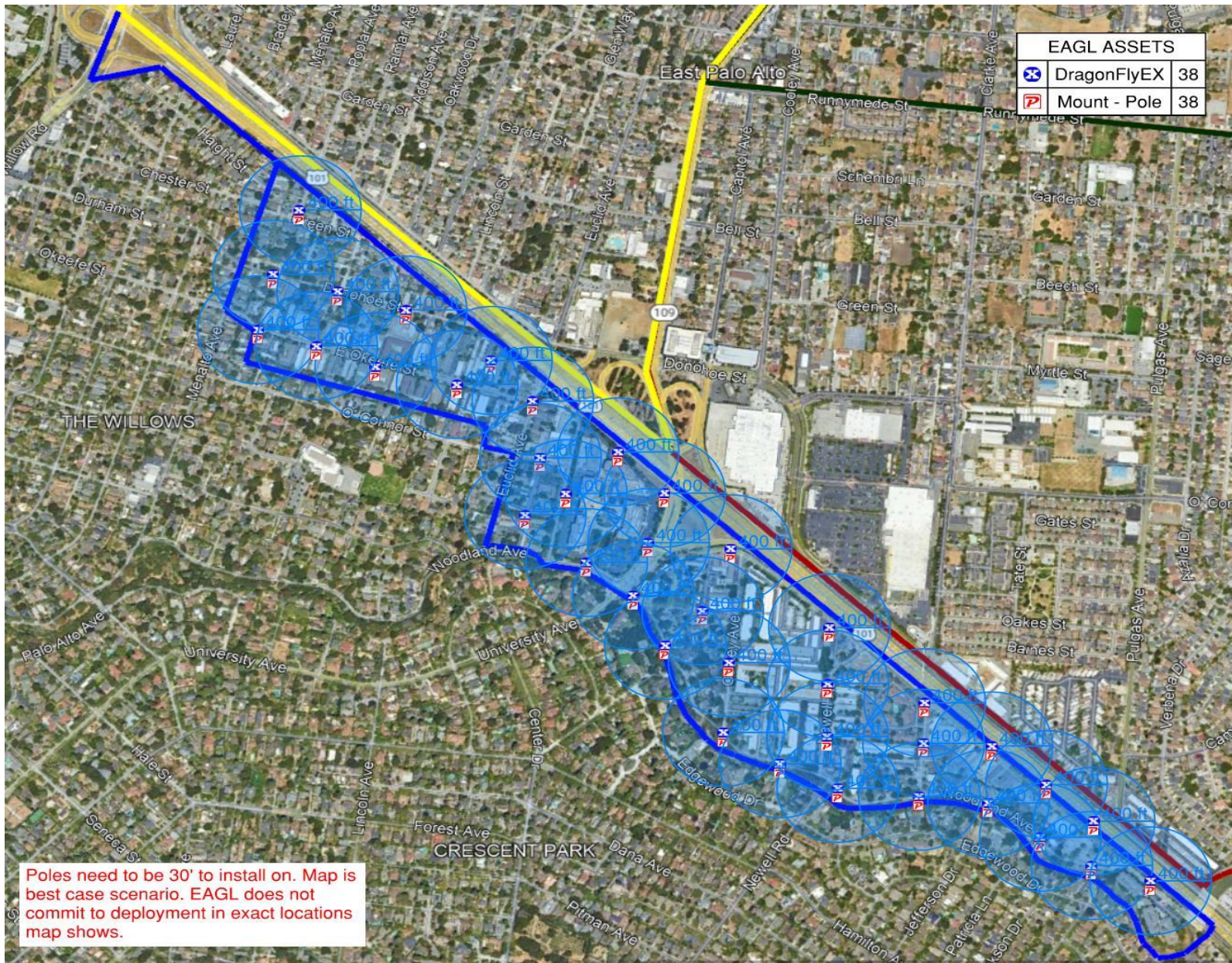
Deployment Maps



Poles need to be 30' to install on. Map is best case scenario. EAGL does not commit to deployment in exact locations map shows.









EAST PALO ALTO CITY COUNCIL STAFF REPORT

DATE: May 6, 2025

TO: Honorable Mayor and Members of the City Council

VIA: Melvin E. Gaines, City Manager

BY: Fatima Khan, Environmental Services Aide
Humza Javed, Public Works Director

SUBJECT: Adopt a Resolution of Local Support to file an application to the Metropolitan Transportation Commission for an electric vehicle charging infrastructure project.

Recommendation

Adopt a resolution:

1. Authorizing the filing of an application for funding assigned to the Metropolitan Transportation Commission (MTC) for its 2024 Climate Program Implementation Grant for a publicly accessible electric vehicle charging infrastructure project, and committing a minimum of \$85,000 of the total project cost in non-federal matching funds (11.47%), which will be provided by Peninsula Clean Energy, and stating assurance to complete the project; and
2. Finding the proposed action does not constitute a “project” with the meaning of the California Environmental Quality Act (“CEQA”) pursuant to CEQA Guidelines sections 15378(b)(4) and (5) in that it is a governmental fiscal, organizational or administrative activity that will not result in direct or indirect changes in the environment.

Alignment with City Council Strategic Plan

This recommendation is primarily aligned with:

Priority: Promote Health & Public Safety

Priority: Ensure Our Financial and Organizational Health

Background

On September 30, 2024, the Metropolitan Transportation Commission (MTC) issued a call for applications to its 2024 Climate Program Implementation Grant Program. This grant is part of MTC’s Transportation Electrification Initiative to expand access to clean mobility options. City staff were contacted by the County of San Mateo to draft an individual application in coordination with co-applicant agencies for a regional electric vehicle (EV) charging project.

Working in conjunction with San Mateo County’s Office of Sustainability, through its Regionally Integrated Climate Action Planning Suite (RICAPS) Program, the County and its consultants supported the City and three other jurisdictions (San Carlos, Half Moon Bay, and Portola Valley) in drafting and submitting applications.

The coordinated grant application was called the San Mateo County Regional EV Charging Project: Scaling Accessible and Sustainable Solutions. The proposal included a total of sixty six (66) publicly available charging stations to be deployed across the County, including sixty two (62) Level 2 Chargers and four (4) Direct Current Fast Chargers (DCFC), at strategically selected locations. Twenty four (24) of these chargers would be located in East Palo Alto.

Guided by grant requirements and regional and local priorities, the application prioritized areas near multi-unit housing (MUH), transit-oriented communities (TOCs), and neighborhood hubs such as community centers and parks to address infrastructure gaps for residents, commuters, and visitors.

The City of East Palo Alto’s application included the following locations:

Location	Proposed Infrastructure
2100 Bay Rd. (Cooley Landing)	2 dual-port 19.2 kW L2 chargers
901 Weeks St. (Sanitation District)	2 dual-port 19.2 kW L2 chargers
1730-1748 Bay Rd.	3 single-port 7.6 kW L2 chargers
599-501 Sacramento St.	3 single-port 7.6 kW L2 chargers
204-326 E Okeefe St.	4 single-port 7.6 kW L2 chargers
1977 Tate St.	3 single-port 7.6 kW L2 chargers
25 Newell Rd.	3 single-port 7.6 kW L2 chargers
2415 University Ave. (City Hall)	2 dual-port 19.2 kW L2 chargers
560 Bell St. (Senior Center)	2 dual-port 19.2 kW L2 chargers

The total cost of East Palo Alto’s share of this proposed project is \$741,060. Through the submission of this application, the City requested \$581,060 from the MTC who require an 11.47% match of the total project cost with non-federal funding, which is a minimum of \$85,000. Peninsula Clean Energy offered to exceed the matching funds with \$160,000 in incentive funding for the project, which will be provided to the City for this project.

On March 21, 2025, City staff were notified by MTC that the City and its co-applicants were awarded funding through the 2024 Climate Program Implementation Grant for its EV charging infrastructure project, and that the City's requested portion of \$581,060 had been approved.

Analysis

This grant project aligns broadly with the City of East Palo Alto's adopted 2030 Climate Action Plan's emission reduction goals and specifically with the Plan's following measures:

Measure T2.2 - Encourage expansion of EV charging infrastructure through incentives and partnerships.

Measure T2.7 - Improve local EV adoption rates.

In order to move forward in the disbursement process and obligate the funds assigned to the MTC for this project, awarded entities must adopt a resolution of local support. Once this is complete, the project will be submitted into the Transportation Improvement Program (TIP). The TIP is a funding document, adopted by the MTC, listing transportation projects in the San Francisco Bay Area that are scheduled to receive awards over the next four years.

The City will continue to move in conjunction with the County and its co-applicants, who are also in the process of adopting these resolutions, to pool time and resources into the administrative aspects of receiving and implementing this award, streamlining procurement and deployment.

As EV adoption gains momentum across California, ensuring that all residents have equitable access to charging infrastructure is important. For multi-family housing residents, where many encounter limitations on home charging options, expanding EV-charging infrastructure is essential to support a transition to electric mobility.

Fiscal Impact

There is no fiscal impact for the submission of this application or adoption of a resolution of local support.

Public Notice

The public was provided notice by making the agenda and report available on the City's website and on a bulletin board located at City Hall: 2415 University Avenue, East Palo Alto.



CONSENT ITEM 3.9

Environmental

The proposed action does not constitute a “project” with the meaning of the California Environmental Quality Act (“CEQA”) pursuant to CEQA Guidelines sections 15378(b)(4) and (5) in that it is a governmental fiscal, organizational or administrative activity that will not result in direct or indirect changes in the environment.

Government Code § 84308

Applicability of Levine Act: No, as the proposed action does not involve an entitlement.

Analysis of Levine Act Compliance: Not applicable.

Attachments

1. Resolution
2. Grant Application to MTC

RESOLUTION NO. XX– 2024**A RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF EAST PALO ALTO**

AUTHORIZING THE FILING OF AN APPLICATION FOR FUNDING ASSIGNED TO THE METROPOLITAN TRANSPORTATION COMMISSION (MTC) FOR ITS 2024 CLIMATE PROGRAM IMPLEMENTATION GRANT FOR A PUBLICLY ACCESSIBLE ELECTRIC VEHICLE CHARGING INFRASTRUCTURE PROJECT, AND COMMITTING A MINIMUM OF \$85,000 OF THE TOTAL PROJECT COST IN NON-FEDERAL MATCHING FUNDS (11.47%), WHICH WILL BE PROVIDED BY PENINSULA CLEAN ENERGY, AND STATING ASSURANCE TO COMPLETE THE PROJECT

WHEREAS, the City of East Palo Alto is submitting an application to the Metropolitan Transportation Commission (MTC) for \$581,060.00 in funding assigned to MTC for programming discretion, which includes federal funding administered by the Federal Highway Administration (FHWA) and federal or state funding administered by the California Transportation Commission (CTC) such as Surface Transportation Block Grant Program (STP) funding, Congestion Mitigation and Air Quality Improvement Program (CMAQ) funding, Carbon Reduction Program (CRP) funding, Transportation Alternatives (TA) set-aside/Active Transportation Program (ATP) funding, and Regional Transportation Improvement Program (RTIP) funding (herein collectively referred to as REGIONAL DISCRETIONARY FUNDING) for the City of East Palo Alto/San Mateo County Regional EV Charging Project (herein referred to as PROJECT) for the 2024 Climate Program Implementation Grant (herein referred to as PROGRAM); and

WHEREAS, the United States Congress from time to time enacts and amends legislation to provide funding for various transportation needs and programs, (collectively, the FEDERAL TRANSPORTATION ACT) including, but not limited to the Surface Transportation Block Grant Program (STP) (23 U.S.C. § 133), the Congestion Mitigation and Air Quality Improvement Program (CMAQ) (23 U.S.C. § 149), the Carbon Reduction Program (CRP) (23 U.S.C. § 175), and the Transportation Alternatives (TA) set-aside (23 U.S.C. § 133); and

WHEREAS, State statutes, including California Streets and Highways Code §182.6, §182.7, and §2381(a)(1), and California Government Code §14527, provide various funding programs for the programming discretion of the Metropolitan Planning Organization (MPO) and the Regional Transportation Planning Agency (RTPA); and

WHEREAS, pursuant to the FEDERAL TRANSPORTATION ACT, and any regulations promulgated thereunder, eligible project sponsors wishing to receive federal or state funds for a regionally-significant project shall submit an application first with the appropriate MPO, or RTPA, as applicable, for review and inclusion in the federal Transportation Improvement Program (TIP); and

WHEREAS, MTC is the MPO and RTPA for the nine counties of the San Francisco Bay region; and

WHEREAS, MTC has adopted a Regional Project Funding Delivery Policy (MTC Resolution No. 3606, revised) that sets out procedures governing the application and use of REGIONAL DISCRETIONARY FUNDING; and

WHEREAS, APPLICANT is an eligible sponsor for REGIONAL DISCRETIONARY FUNDING; and

WHEREAS, as part of the application for REGIONAL DISCRETIONARY FUNDING, MTC requires a resolution adopted by the responsible implementing agency stating the following:

- the commitment of any required matching funds; and
- that the sponsor understands that the REGIONAL DISCRETIONARY FUNDING is fixed at the programmed amount, and therefore any cost increase cannot be expected to be funded with additional REGIONAL DISCRETIONARY FUNDING; and
- that the PROJECT will comply with the procedures, delivery milestones and funding deadlines specified in the Regional Project Funding Delivery Policy (MTC Resolution No. 3606, revised); and
- the assurance of the sponsor to complete the PROJECT as described in the application, subject to environmental clearance, and if approved, as included in MTC's federal Transportation Improvement Program (TIP); and
- that the PROJECT will have adequate staffing resources to deliver and complete the PROJECT within the schedule submitted with the project application; and
- that the PROJECT will comply with all project-specific requirements as set forth in the PROGRAM; and
- that APPLICANT has assigned, and will maintain a single point of contact for all FHWA- and CTC-funded transportation projects to coordinate within the agency and with the respective County Transportation Agency (CTA), MTC, Caltrans, FHWA, and CTC on all communications, inquires or issues that may arise during the federal programming and delivery process for all FHWA- and CTC-funded transportation and transit projects implemented by APPLICANT; and
- in the case of a transit project, the PROJECT will comply with MTC Resolution No. 3866, revised, which sets forth the requirements of MTC's Transit Coordination Implementation Plan to more efficiently deliver transit projects in the region; and
- in the case of a highway project, the PROJECT will comply with MTC Resolution No. 4104, which sets forth MTC's Traffic Operations System (TOS) Policy to install and activate TOS elements on new major freeway projects; and
- in the case of an RTIP project, state law requires PROJECT be included in a local congestion management plan, or be consistent with the capital improvement program adopted pursuant to MTC's funding agreement with the County Transportation Agency (CTA); and

WHEREAS, that the City of East Palo Alto is authorized to submit an application for REGIONAL DISCRETIONARY FUNDING for the PROJECT; and

WHEREAS, there is no legal impediment to the City of East Palo Alto making applications for the funds; and

WHEREAS, there is no pending or threatened litigation that might in any way adversely affect the proposed PROJECT, or the ability of the City of East Palo Alto to deliver such PROJECT; and

WHEREAS, the City of East Palo Alto authorizes its Public Works Director or designee to execute and file an application with MTC for REGIONAL DISCRETIONARY FUNDING for the PROJECT as referenced in this resolution; and

WHEREAS, MTC requires that a copy of this resolution be transmitted to the MTC in conjunction with the filing of the application.

NOW, THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF EAST PALO ALTO HEREBY:

1. Authorizes the submission of an application for funding assigned to the Metropolitan Transportation Commission (MTC) for its 2024 Climate Program Implementation Grant for a publicly accessible electric vehicle charging infrastructure project, and committing 11.47% of the total project cost in matching funds, to be provided by Peninsula Clean energy and stating assurance to complete the project;
2. Finds that the proposed action does not constitute a “project” with the meaning of the California Environmental Quality Act (“CEQA”) pursuant to CEQA Guidelines sections 15378(b)(4) and (5) in that it is a governmental fiscal, organizational or administrative activity that will not result in direct or indirect changes in the environment;
3. Authorizes the execution and filing an application for funding for the PROJECT for REGIONAL DISCRETIONARY FUNDING under the FEDERAL TRANSPORTATION ACT or continued funding; Agrees to provide a minimum of \$85,000 (11.47%) in required matching funds;
4. Understands that the REGIONAL DISCRETIONARY FUNDING for the project is fixed at the MTC approved programmed amount, and that any cost increases must be funded by the APPLICANT from other funds, and that APPLICANT does not expect any cost increases to be funded with additional REGIONAL DISCRETIONARY FUNDING;
5. Understands the funding deadlines associated with these funds and will comply with the provisions and requirements of the Regional Project Funding Delivery Policy (MTC Resolution No. 3606, revised) and the City of East Palo Alto has, and will retain the expertise, knowledge and resources necessary to deliver federally-funded transportation and transit projects, and has assigned, and will maintain a single point of contact for all FHWA- and CTC-funded transportation projects to coordinate within the agency and with the respective County Transportation Agency (CTA), MTC, Caltrans, FHWA, and CTC on all communications, inquires or issues that may arise during the federal programming and delivery process for all FHWA- and CTC-funded transportation and transit projects implemented by the City of East Palo Alto;
6. That the PROJECT will be implemented as described in the complete application and in this resolution, subject to environmental clearance, and, if approved, for the amount approved by MTC and programmed in the federal TIP;
7. Represents that the PROJECT has been reviewed and has adequate staffing resources to deliver and complete the PROJECT within the schedule submitted with the project application;
8. Agrees that the PROJECT will comply with the requirements as set forth in MTC programming guidelines and project selection procedures for the PROGRAM;

9. In the case of a transit project, agrees to comply with the requirements of MTC's Transit Coordination Implementation Plan as set forth in MTC Resolution No. 3866, revised;
10. In the case of a highway project, agrees to comply with the requirements of MTC's Traffic Operations System (TOS) Policy as set forth in MTC Resolution No. 4104;
11. In the case of an RTIP project, represents that the PROJECT is included in a local congestion management plan, or is consistent with the capital improvement program adopted pursuant to MTC's funding agreement with the County Transportation Agency (CTA);
12. Represents that the City of East Palo Alto is an eligible sponsor of REGIONAL DISCRETIONARY FUNDING funded projects;
13. Represents that the City of East Palo Alto is authorized to submit an application for REGIONAL DISCRETIONARY FUNDING for the PROJECT;
14. Represents that there is no legal impediment to the City of East Palo Alto making applications for the funds;
15. Represents that there is no pending or threatened litigation that might in any way adversely affect the proposed PROJECT, or the ability of the City of East Palo Alto to deliver such PROJECT; Authorizes its Public Works Director or designee to execute and file an application with MTC for REGIONAL DISCRETIONARY FUNDING for the PROJECT as referenced in this resolution;
16. Agrees to transmit a copy of this resolution to the MTC in conjunction with the filing of the application;
17. Requests that upon this resolution's adoption, that the MTC support the City's application for the PROJECT described herein, and include the PROJECT in MTC's federal TIP upon submittal by the project sponsor for TIP programming.

PASSED AND ADOPTED this 6th day of May 2025, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Martha Barragan. Mayor

ATTEST:

Resolution No. XX-2024

APPROVED AS TO FORM:

James Colin, City Clerk

John D. Lê, City Attorney

2024 CLIMATE PROGRAM IMPLEMENTATION GRANTS

Charging Infrastructure Program Application Form



Overview

The Metropolitan Transportation Commission (MTC) invites eligible Bay Area public agencies to submit project proposals to one or more of the following grant programs:

1. Regional Mobility Hubs
2. Parking Management
3. **Charging Infrastructure**
4. Active Transportation Capital Design Technical Assistance

This is the application for the **Charging Infrastructure Program**. The Bay Area Charging Infrastructure Grant Program is part of MTC’s [Transportation Electrification Initiative](#) to expand access to clean mobility options and associated charging infrastructure across the Bay Area. MTC is seeking projects for the acquisition and installation of publicly accessible charging stations for electric vehicles (EVs) and/or electric mobility devices (bikes, scooters, assistive mobility devices, etc.). Proposals should demonstrate strong readiness and must directly lead to the implementation of publicly accessible charging infrastructure.

Refer to the [grant guide](#) for more information.

Grant application due Friday, December 20, 2024 at 4:00p.m.

Application Form Instructions

- Provide the application form in Word format
- **Submit application to James Choe at jchoe@bayareametro.gov with following email subject line: “*JURISDICTION NAME 2024 Charging Infrastructure Application*”**
- MTC staff will review the application information for eligibility and completeness of information provided

Overview Question

Application Overview	
Climate Program Implementation Grant Selection	Indicate the program(s) for which you are submitting an application(s): <input type="checkbox"/> Regional Mobility Hubs <input type="checkbox"/> Parking Management <input checked="" type="checkbox"/> Charging Infrastructure Program <input type="checkbox"/> Active Transportation Capital Design Technical Assistance Please complete the relevant form for each program you are applying to.

2024 CLIMATE PROGRAM IMPLEMENTATION GRANTS

Charging Infrastructure Program Application Form



Charging Infrastructure Application Form

Applicant Information	
Q1. Project Sponsor – primary grant recipient must be an eligible applicant	City of East Palo Alto
	Humza Javed
	hjaved@cityofepa.org
	650-853-3130
Q2. Partners – list all internal agency departments and external partners that will be involved with the various phases of implementation, maintenance, and operations. <i>(Add rows as needed)</i>	Peninsula Clean Energy, Rafael Reyes, rreyes@peninsulacleanenergy.com
	City of San Carlos, Quinne Woolley, qwoolley@cityofsancarlos.org
	City of Half Moon Bay, Helen Wolter and Matthew Nichols, hwolter@hmbcity.com and mnichols@hmbcity.com
	Town of Portola Valley, Corie Stocker-Pedalino, cstocker@portolavalley.net
	San Mateo County, Avana Andrade, aandrade@smcgov.org
Q3. Project Title	City of East Palo Alto, San Mateo County Regional EV Charging: Scaling Accessible and Sustainable Solutions
Q4. Project Description – provide a <i>brief</i> summary of the proposed project, including the project location and the number and types of charging infrastructure (one paragraph recommended).	<p>The San Mateo County Regional EV Charging Project will include the installation of publicly accessible electric vehicle (EV) charging stations across East Palo Alto, San Carlos, Half Moon Bay, and Portola Valley to support the County's transition to zero-emission transportation. This application represents an individual that is a part of a coordinated, county-wide approach. A total of 66 publicly available charging stations will be deployed across the county, including 62 Level 2 Chargers and 4 DC Fast Chargers (DCFC), at strategically selected locations. Our strategic siting prioritizes areas near multi-unit housing (MUH), transit-oriented communities (TOCs), and neighborhood hubs such as community centers, parks, and small business districts to address infrastructure gaps for residents, commuters, and visitors. By focusing on equitable access, particularly for renters and residents without home charging options, the Project promotes sustainable mobility while supporting regional decarbonization goals. Additionally, the collaborative approach to this project will maximize impact while minimizing administrative burdens. Although participating jurisdictions are submitting separate individual proposals, if awarded, they will be implemented in coordination. This will streamline procurement and deployment, reducing administrative costs and ensuring widespread EV infrastructure coverage.</p>
Need and Benefits (30 Points)	
Q5. Project Need and Goals – describe how the project addresses a need identified in a plan, policy, or study and helps meet state, local, or program goals, particularly equity goals. To the extent possible, describe: <ul style="list-style-type: none"> • Purpose and need for the project 	<p>The San Mateo County Regional EV Charging Project is designed to expand access to publicly accessible EV charging stations across East Palo Alto, San Carlos, Half Moon Bay, and Portola Valley, propelling San Mateo County’s transition to zero-emission mobility forward as the region prepares for the future. Peninsula Clean Energy (PCE), San Mateo County’s community choice aggregator, estimates that with</p>

2024 CLIMATE PROGRAM IMPLEMENTATION GRANTS

Charging Infrastructure Program Application Form



- Alignment with [Plan Bay Area 2050](#) and associated regional policies and programs, including MTC’s climate, transportation, and housing initiatives
- Alignment with the program goals to advance clean mobility options, accelerate the electrification transition, promote equitable access, and support innovative solutions
- Alignment with local plans and goals
- Plan, policy, or study identifying the need or purpose for the project
- Quantitative descriptions of need based on analysis or research

Email supporting evidence (e.g., location analysis or planning analysis) as part of the supplemental materials packet described in question Q24.

business-as-usual growth of EV infrastructure, San Mateo County will fall short by approximately 20,000 chargers, when including MUH, public and work charging sites, and by approximately 100 DCFCs through 2035. The need for additional publicly accessible charging, especially in proximity to MUH, is extensive. By addressing critical gaps in EV infrastructure, this Project directly supports regional and programmatic goals while prioritizing equity and innovative solutions such as curbside EV charging and DCFC which can be a solution to MUH EV charging challenges.

The San Mateo County Regional EV Charging Project will contribute to helping the State of California meet its aggressive climate action goals (Senate Bill 32) of cutting emissions to 40% below 1990 levels by 2030 and achieving statewide carbon neutrality by 2045. Promoting the shift to EVs by means of charging infrastructure development will help the state achieve its clean transportation goals including Executive Order N-79-20’s requirement to phase out gas powered vehicle sales by 2045.

Purpose and Need for the Project

The Project will deliver 66 publicly accessible EV charging stations (62 Level 2 and 4 DCFC), or 98 EV charging ports, at key locations across the county. By prioritizing installation at MUH sites, the Project seeks to address barriers to EV adoption, including limited access to home charging for renters and residents in densely populated neighborhoods. By siting chargers near affordable housing and TOCs, this Project will directly support equitable access to clean mobility options and contribute to the region’s greenhouse gas (GHG) reduction targets. Additionally, by prioritizing sites that were identified by communities and local government decision makers, this project will ensure EV infrastructure access in San Mateo is not solely driven by private market drivers.

Alignment with Plan Bay Area 2050, Regional Policies and Programs

The Project aligns with Plan Bay Area 2050 by expanding EV infrastructure to reduce transportation-related GHG emissions, improve air quality, and enhance mobility equity. By focusing on communities that have been designated as disadvantaged communities by Senate Bill (SB) 535 as well as high-density housing areas, the County is advancing regional goals to confirm that all residents, regardless of income or housing type, can benefit from clean mobility options. Key contributions include:

- Supporting the regional transition to EVs by addressing infrastructure gaps in MUH-dense areas.
- Improving air quality and reducing exposure to vehicle emissions in CalEnviroScreen-designated disadvantaged communities (SB 535).

Alignment with Program Goals

2024 CLIMATE PROGRAM IMPLEMENTATION GRANTS

Charging Infrastructure Program Application Form



The Project directly supports the Metropolitan Transportation Commission’s (MTC) Charging Infrastructure Program goals:

- **Promoting Clean Mobility Options:** By prioritizing MUH and underserved areas, the Project will provide residents who lack access to home charging opportunities to adopt EVs and transition to clean transportation.
- **Advancing Equity:** Strategically sited chargers in Equity-Priority-Communities (EPCs) will bridge the infrastructure gap for renters, low-income households, and residents in dense urban environments.
- **Accelerating Electrification:** The Project enables large-scale EV adoption by providing accessible and reliable charging infrastructure in locations that are currently lacking, but have high demand, such as EPCs, TOCs, and MUH sites.
- **Supporting Innovative Solutions:** The Project integrates advanced charger management systems and future-proof technology to maximize efficiency and long-term value. The regional approach of this Project will also allow for lower administrative costs as one procurement process, managed by the county, will facilitate installation at multiple sites across several cities within the County.

Alignment with Local Plans and Goals

Equitable EV adoption and infrastructure development is a key strategy for the County of San Mateo and its member cities to meet the GHG emissions reduction targets established by SB32. The County and participating jurisdictions include EV adoption as a focal point in their climate action plans and housing strategies. The Project supports the County’s Community Climate Action Plan (CCAP) by contributing to regional decarbonization goals. It also aligns with local initiatives, such as East Palo Alto’s Climate Action Plan, which sets goals to increase EV charging stations, and San Carlos’ Climate Mitigation and Adaptation Plan, which identified a need to increase public EV charging. By collaborating with cities to identify high-impact locations, these investments directly address community needs. Through the Regionally Integrated Climate Action Planning Support Program (RICAPS) the County has been working collaboratively with each city to identify the ideal charging systems and sites to increase EV adoption within the County in an equitable manner.

Identified Needs in Relevant Plans and Studies

- **Equitable Access:** Residents of MUHs often face significant barriers to EV adoption due to the lack of home charging options due to lack of infrastructure. This Project targets these gaps by prioritizing chargers in multifamily and affordable housing areas by prioritizing DCFC located near priority locations as well as utilizing curbside charging.

2024 CLIMATE PROGRAM IMPLEMENTATION GRANTS

Charging Infrastructure Program Application Form



	<ul style="list-style-type: none"> • Public Demand: Increasing EV ownership in the Bay Area has created a demand for accessible charging in public and residential areas, especially in transit-oriented and downtown districts. <p>Quantitative Descriptions of Need</p> <p>The deployment of 66 chargers will provide critical infrastructure to meet the growing demand for EV charging, enabling the County to support an anticipated increase in EV ownership. With Level 2 and DCFC chargers strategically placed in MUH-dense areas, EPCs, and TOCs, the Project is expected to reduce thousands of metric tons of CO2-equivalent emissions (CO2e) annually by accelerating the transition to EVs. Additionally, nearly 50% of countywide emissions were from transportation in 2021, making the transition to EVs a critical step in achieving the state’s GHG emissions reduction targets of 40% below 1990 levels by 2030.</p>
<p>Q6. Project Benefits – describe the anticipated outcomes and benefits. To the extent possible, include:</p> <ul style="list-style-type: none"> • Quantitative outcomes (e.g., anticipated usage, users, number of charging events per day, etc.) • Estimate of the project’s daily CO2 reductions with explanation of calculation and assumptions (applicants may use their own calculations or the following formula: <i>GHG (tons) = 0.004309 * number of chargers * estimated number of charging events per charger per day</i>) • Qualitative benefits • Note: Quantitative descriptions of need and project benefits based on analysis and research are preferred 	<p>The San Mateo County Regional EV Charging Project will deliver measurable environmental and equity-focused benefits, reducing GHG emissions, increasing accessibility to EV infrastructure, and advancing the region’s sustainable transportation.</p> <p>Quantitative Outcomes in San Mateo County</p> <ul style="list-style-type: none"> • Number and Types of Chargers: <ul style="list-style-type: none"> ○ 34 single-port 7.6kW Level 2 Chargers, ideal for curbside and residential locations. ○ 28 dual-port 19.2kW Level 2 Chargers, capable of serving two vehicles simultaneously. ○ 4 dual-port 160kW DC Fast Chargers, designed for quick charging (20-60 minutes per session), making them suitable for high-turnover locations. • Anticipated Usage, Users, and Events Per Day: <ul style="list-style-type: none"> ○ Single-port 7.6kW Level 2 Chargers: ~68 charging events per day (2 events per charger, 34 chargers total). Based on the following assumptions: <ul style="list-style-type: none"> ▪ Chargers in curbside or residential settings (e.g., near MUHs and EPCs like Sacramento St or Arnold Way) are likely to see longer session times and lower turnover. ▪ Sites near downtown areas or transit hubs (e.g., Walnut St) may experience higher turnover due to mixed use by residents and commuters. ○ Dual-port 19.2kW Level 2 Chargers: ~168 charging events per day (6 events per charger; 3 events per port, 28 chargers total). Based on the following assumptions: <ul style="list-style-type: none"> ▪ Chargers at City Hall, Senior Centers, Wheeler Plaza Garage, and Clark Plaza serve high-traffic areas or TOCs, likely to experience moderate-to-high daily usage.

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	<ul style="list-style-type: none"> • Community Mobility: Publicly accessible chargers enhance convenience for local residents, visitors, and commuters, especially in areas with limited private parking or charging options. • Resilient Infrastructure: Future-proofed chargers with smart load management result in operational efficiency and adaptability to evolving EV technologies. These chargers also help reduce strain on the grid by limiting peak demand (DCFC). • Catalyst for Future Improvements: One of the major challenges for increasing EV adoption is range anxiety and a visible lack of charging options. By expanding charging in the region, consumers will feel more comfortable making the leap to EV, which will result in more chargers being built by both public and private entities.
<p>Q7. Advancing Equity – describe the benefits of the project to underserved or equity priority communities (e.g., benefits to low-wage workers, multifamily residences, communities with particularly limited access to charging, rural communities, communities lacking access to affordable clean mobility options, communities with disproportionate motor vehicle pollution burden, communities historically lacking in funding or other support, etc.)</p>	<p>The San Mateo County Regional EV Charging Project is designed to reduce barriers to clean mobility for underserved individuals living or working in the county’s EPCs and for renters who are currently challenged with finding a reliable place to charge EVs. By installing publicly accessible chargers in strategic locations, the Project expands access to affordable, clean transportation for residents, employees, and visitors, addressing economic and environmental disparities. Sites selected for charger deployment in this Project serve both residents, workers, and commuters, ensuring infrastructure is accessible to a broad spectrum of users, including those without dedicated parking spaces.</p> <p>Benefits to MUH and Affordable Housing Residents</p> <ul style="list-style-type: none"> • Limited Access to Home Charging: Many MUH residents, particularly in East Palo Alto and San Carlos, lack access to private garages or driveways for at-home EV charging. By installing publicly accessible curbside and Level 2 Chargers near high-density MUHs, the Project reduces barriers to EV adoption for the region, with a focus on low-income renters. • Affordable Transportation: Transitioning to EVs reduces the financial burden of fuel costs for residents, offering a cleaner, lower-cost alternative to gasoline-powered vehicles. This aligns with regional equity goals to improve economic mobility for disadvantaged populations. Providing chargers in these locations removes one of the hurdles for disadvantaged communities to gain the benefits of EVs. While upfront costs of EVs can be higher, lifecycle costs are often lower and when paired with EV incentives for new and used EV’s, these chargers will help decrease the initial hurdles for EV ownership. <p>Equity Benefits for Workers in and Around the Target Areas</p> <ul style="list-style-type: none"> • Support for Low-Wage Workers and Commuters: Many individuals working in service, retail, or caregiving roles in wealthier communities like San Carlos, Half Moon Bay, and

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	<p>Portola Valley commute from lower-income areas with limited access to EV infrastructure. By providing public chargers near employment hubs, such as downtown shopping districts (San Carlos and Half Moon Bay), the Project enables workers to transition to EVs, reducing transportation costs and exposure to fluctuating fuel prices.</p> <ul style="list-style-type: none"> • Improved Work Environments: Reduced vehicle emissions from EV adoption in areas like Half Moon Bay’s downtown will lead to improved air quality, benefiting outdoor workers, such as landscapers, delivery drivers, and public service employees. <p>Addressing Pollution Burdens</p> <ul style="list-style-type: none"> • CalEnviroScreen Insights: Areas like East Palo Alto (particularly census tracts 6081611900 and 6081612000) rank high on CalEnviroScreen 4.0 for pollution exposure, particularly from NOx emissions, particulate matter (PM2.5), and diesel exhaust due to proximity to major traffic corridors (e.g., Highway 101). This Project will help mitigate these impacts by enabling greater EV adoption, reducing tailpipe emissions, and improving local air quality. • Air Quality and Health Benefits: By replacing fossil fuel powered internal combustion engine vehicles with EVs in high-pollution areas, the Project improves air quality and supports reductions in NOx and particulate matter, directly benefiting communities disproportionately affected by traffic-related health risks such as asthma and cardiovascular disease.
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Design (25 Points)

<p>Q8. Locations and Chargers – list the following for each project location:</p> <ul style="list-style-type: none"> • Location address (or description) and property owner • Number and power level (kW) of chargers by type to be installed <p><i>(Add rows as needed)</i></p>	<p>Address: 2415 University Ave, East Palo Alto, CA 94303</p> <p>Description: City Hall</p> <p>Owner: San Mateo County</p>		2 dual-port 19.2kW L2 Chargers		<ul style="list-style-type: none"> • Located in an EPC. • CalEnviroScreen 4.0 percentile ranks 63/100.
	<p>Address: 560 Bell Street, East Palo Alto, CA 94303</p> <p>Description: Senior Center</p> <p>Owner: City of East Palo Alto</p>		2 dual-port 19.2kW L2 Chargers		<ul style="list-style-type: none"> • Located in an EPC. • CalEnviroScreen 4.0 percentile ranks 77/100.
	<p>Address: 2100 Bay Rd. East Palo Alto, CA 94303</p>		2 dual-port 19.2kW		<ul style="list-style-type: none"> • Located in an EPC. • CalEnviroScreen 4.0 percentile ranks 63/100.

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	Description: Cooley Landing Owner: City of East Palo Alto		L2 Chargers		
	Address: 901 Weeks St, East Palo Alto, CA 94303 Description: Sanitation District Owner: City of East Palo Alto		2 dual-port 19.2kW L2 Chargers		<ul style="list-style-type: none"> • Located in an EPC. • CalEnviroScreen 4.0 percentile ranks 75/100.
	Address: 1730-1748 Bay Rd, East Palo Alto, CA 94303 Owner: **See Note**		3 single-port 7.6 kW L2 Chargers		<ul style="list-style-type: none"> • Curbside Charger • Located in an EPC. • CalEnviroScreen 4.0 percentile ranks 75/100.
	Address: 599-501 Sacramento St, East Palo Alto, CA 94303 Owner: **See Note**		3 single-port 7.6 kW L2 Chargers		<ul style="list-style-type: none"> • Curbside Charger • Located in an EPC. • CalEnviroScreen 4.0 percentile ranks 77/100.
	Address: 204-326 E Okeefe St, East Palo Alto, CA 94303 Owner: **See Note**		4 single-port 7.6 kW L2 Chargers		<ul style="list-style-type: none"> • Curbside Charger • Located in an EPC. • CalEnviroScreen 4.0 percentile ranks 65/100.
	Address: 1977 Tate St, East Palo Alto, CA 94303 Owner: **See Note**		3 single-port 7.6 kW L2 Chargers		<ul style="list-style-type: none"> • Curbside Charger • Located in an EPC. • CalEnviroScreen 4.0 percentile ranks 75/100.
	Address: 25 Newell Rd, East Palo Alto, CA 94303 Owner: **See Note**		3 single-port 7.6 kW L2 Chargers		<ul style="list-style-type: none"> • Curbside Charger • Located in an EPC. • CalEnviroScreen 4.0 percentile ranks 65/100.
	See Note Specific owners will be identified as a part of the contract for installation of the curbside chargers. Sites will be within ½ mile radius of the address identified in this table, and ideally within a ¼ mile radius. The selected contractor (selected through a competitive bidding process) will be responsible for identifying property owners within the appropriate distance from these addresses who are willing to participate and have a curbside L2 charger installed behind their meter.				

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<p>Q9. Public Accessibility – confirm that all project chargers will be publicly accessible. If locations or chargers are partially accessible, describe the restrictions (e.g., parking lot operating hours).</p>	<p>All sites to be installed under this Project will be publicly accessible without any constraints.</p>
<p>Q10. Project Design – describe any project design details, industry standards, or best practices that will be applied to the project to maximize utilization and usability and minimize risks (e.g., vehicle and equipment interoperability, charging connector type, charging network interoperability, equipment communication protocol, forward-compatibility, payment options, wayfinding, safety measures, vandalism mitigation, etc.).</p>	<p>Our Project design for EV charging infrastructure is built from the needs of our community and grounded in best practices, industry standards, and innovative approaches to maximize utilization, enhance usability, and minimize risks. The following design considerations will result in the multijurisdictional Project’s success:</p> <p>Integration with Planning Documents The design will be informed by existing local planning documents to align with regional goals and priorities. This confirms the infrastructure meets local needs and promotes coordinated development.</p> <p>Curbside Charging Program We are introducing an innovative curbside charger program to enhance accessibility and affordability. This program builds on successful pilots in other U.S. cities, such as Alameda, and incorporates key features like behind-the-meter installs that connect chargers directly to adjacent properties’ electrical systems, significantly reducing installation costs by eliminating the need for extensive trenching and grid upgrades. Curbside chargers also provide charging options for residents without private driveways or garages, addressing a critical gap in EV infrastructure for renters and urban dwellers.</p> <p>Industry Standards, Best Practices, and Future Proofing The Project will adhere to the highest industry standards and best practices. Universal charging connectors, such as SAE J1772 and CCS, will provide compatibility with a wide range of EV models. Chargers will be integrated into open networks, allowing users to access them via multiple platforms and payment apps. To establish forward-compatibility and seamless integration with future technologies, equipment will support Open Charge Point Protocol (OCPP), an open-source communication standard that allows EV charging stations to communicate with each other and with central management systems.</p> <p>Usability Enhancements To maximize user convenience, the Project will incorporate contactless payment methods, including credit cards and mobile wallets. Clear signage and mobile app integration will help users locate chargers easily. Installations will include adequate lighting, visibility, and protective barriers to provide user safety.</p> <p>Risk Mitigation Measures</p>

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	<p>Strategies to minimize risks include using durable materials and tamper-resistant designs to protect chargers from vandalism. Additionally, chargers will be designed to accommodate advancements in EV technology, such as higher charging speeds and next-generation vehicles.</p>
<p>Q11. Operations & Maintenance – describe the plan for the project’s ongoing operations and maintenance to the extent known. Considerations include:</p> <ul style="list-style-type: none"> • Establishing an uptime target and approach for achieving that target • Identifying operations and maintenance activities, cost estimates, and responsible parties • Identifying funds to replace/fix components that are vandalized, broken, or otherwise rendered inoperable • Determining third-party service agreements, cost sharing, etc. 	<p>To establish the long-term success and reliability of the EV charging infrastructure, the Project Manager will implement a comprehensive operations and maintenance (O&M) plan that addresses uptime targets, maintenance activities, cost management, accountability, and potential third-party service agreements to provide the sustainability and accessibility of the charging network. The following elements will guide our approach:</p> <p>Uptime Target and Achievement Strategy</p> <p>Contracts with private entities, established through a competitive bidding process, will set a minimum uptime target of at least 90-95% for all installed chargers. To achieve this:</p> <ul style="list-style-type: none"> • We will require bidders to demonstrate a proven track record of maintaining high uptime rates for similar EV infrastructure, preferably within the San Francisco Bay Area. • Contractors will be obligated to provide a clear strategy for addressing common operational issues and maintaining uptime, including response times for repairs and proactive maintenance schedules. • Contractors must establish clear communication channels for individuals to report inoperable chargers. • Regular performance audits will be conducted to establish compliance with uptime targets, with potential penalties for non-compliance. <p>Operations and Maintenance Activities</p> <p>Ongoing O&M activities will be the responsibility of contracted service providers and will include:</p> <ul style="list-style-type: none"> • Routine inspections and servicing of the chargers to prevent downtime and provide optimal functionality. • Software updates to maintain compatibility with evolving EV standards (including newly approved legislation such as AB-2697’s network roaming standards) and improve user experience. • Rapid response to repair requests to minimize downtime, with specific timelines defined in service agreements (e.g., repairs within 48 hours of issue identification). • Periodic replacement or upgrading of components to keep the chargers aligned with evolving technology standards.

Cost Estimates and Responsible Parties

Most EV infrastructure companies offer package deals with the sale of their hardware that include software and routine maintenance for two, three, or five years. The cost of standard operations and maintenance for the first three years, and ideally up to five years, are included in the Project budget and will be paid for in a lumpsum payment when the hardware is purchased. These costs will be detailed in contractor agreements and may include:

- Labor costs for standard inspections, repairs, and maintenance.
- Replacement parts for damaged or worn-out components within warranty.
- Software licensing or subscription fees, if applicable.

After the grant period passes, ongoing O&M costs will be paid for by the City, covered by revenue generated from electricity sales. We are including the first three to five years in this grant proposal to cover the costs in the initial years, before much revenue has been generated, and to take advantage of discounts when purchasing coverage for more than just a single year.

Private contractors selected through the bidding process will be primarily responsible for executing O&M activities. The Project Manager will oversee contractor performance to enforce adherence to contractual obligations.

Funding for Component Replacement and Repairs

To address potential issues such as vandalism, accidental damage, or other causes of inoperability:

- Revenue-Backed Fund: A dedicated repair and replacement fund will be established, funded using a portion of the revenue generated from electricity sales at the chargers.
- Warranty Utilization: Repairs and replacements covered under warranty will be prioritized, with the dedicated fund supplementing gaps in coverage.
- Contingency Allocation: Additional contingency funds may be allocated during the budgeting phase to cover unforeseen expenses.

Third-Party Service Agreements and Cost Sharing

We will explore third-party service agreements with established EV charger network operators to further enhance reliability and reduce operational risks. These agreements may include:

- Revenue-sharing models to offset O&M costs.
- Comprehensive service packages that cover all aspects of charger management, including customer support and data analytics.

By adopting this robust operations and maintenance plan, the Project aims to provide EV chargers in San Mateo County remain reliable, accessible, and financially sustainable serving the residents and visitors for years to come.

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<p>Q12. MTC Complete Streets Checklist – submit a completed MTC Complete Streets Checklist form with your application. More information can be found here. Please attach the completed form in your application submittal email.</p>	<p>MTC Complete Streets Checklist attached to application submittal email.</p>
<p>Readiness (25 Points)</p>	
<p>Q13. Project Support – describe the public and stakeholder engagement conducted to inform this project and the support for this project from agency decision makers (Council/Board, Mayor’s/Administrator’s Office, Managers, etc.), internal and external implementation partners, the public, and other key stakeholders.</p>	<p>This Project is a direct outcome of the Regional Integrated Climate Action Planning Support (RICAPS) program, a collaborative platform that has facilitated extensive discussions on the equitable acceleration of EV transition across San Mateo County. Over the past year, representatives from all jurisdictions in the County, as well as local service and utility providers, have actively participated in RICAPS meetings to identify barriers, brainstorm solutions to hurdles, and share best practices. This team and these discussions laid the groundwork for this proposal, emphasizing a holistic approach to EV infrastructure development.</p> <p>The collaborative efforts of RICAPS led to the identification of five jurisdictions that are prepared for immediate EV infrastructure installation. This coordinated approach confirms that the Project reflects shared regional goals while addressing the unique needs of individual communities and the members of those communities. While developing the City of San Carlos' Climate Mitigation and Adaptation Plan (2021), community members consistently emphasized the need for more publicly accessible EV charging stations. This feedback was gathered during a virtual community workshop, through an online survey, and in individual meetings with various local organizations, including Peninsula Clean Energy, environmental groups, and business owners. Stakeholders particularly highlighted the importance of locating these stations near multi-family housing.</p> <p>This Project has garnered strong support from key decision-makers from jurisdictions across San Mateo County. Council members, City Managers, and representatives from the Mayor’s and Administrator’s offices across participating jurisdictions have expressed their commitment to advancing EV infrastructure as part of broader climate and equity goals. These opinions reflect that of the community as well.</p> <p>A network of internal and external partners will play critical roles in the Project’s implementation. Internally, City Planning and Public Works Departments will oversee permitting, installation, and ongoing operations. Externally, private contractors and EV infrastructure experts will confirm the deployment of state-of-the-art technology and adherence to industry standards.</p>

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Q14. Project Scope and Timeline – list the applicable major project phases – Preliminary Engineering (PE); Project Approval & Environmental Document (PA&ED); Right of Way (ROW) clearance; Plans, Specifications, and Estimate (PS&E); Construction (CON) – and any other significant project tasks, key deliverables, or milestones. Briefly describe each phase, task, or milestone and indicate the date completed or the estimated start date. Other significant tasks or key milestones may include, but are not limited to:

- Project initiation approval
- Community and stakeholder engagement
- 30/60/90% design completed
- Utility project review and approval
- Agreements and permits secured
- Site rights or Right of Way (ROW) acquired
- Detailed scope of work including technical/engineering aspects, project timeline, and budget developed
- Contractor or vendor procurement completed

Note: All funds for construction (CON) should be obligated by January 31, 2027. All projects should be constructed within 3 years of construction obligation. Project awards will be canceled, and funds will be reverted for use in future Climate Program grants if projects have not obligated construction by January 31, 2027.

Task/ Phase/ Deliverable/ Milestone	Description	Date Completed or Estimated Start Date
Project initiation approval	Project is selected and project implementation begins.	April 1, 2025
RFP for Project Manager	Participating jurisdictions will coordinate on a group RFP for a Project Manager. RICAPS will support this coordination and it will result in one RFP released that will cover project management for all participating jurisdictions. All participating jurisdictions will support the final selection of a successful bidder and the successful bidder will establish coordinated but separate contracts with each jurisdiction.	June 1, 2025
RFP for Charger Installation and Maintenance	The participating jurisdictions will coordinate on the development of a EV charging RFP which will include all three types of chargers (DC Fast, Curbside, and Level 2). The RFP will include the ability for companies to design, permit, install, and maintain at least one of the designated charger types. The County has designated staff to lead the development of the RFP with support from the selected Project Manager and the participating jurisdictions.	June 1, 2025
Selection of service providers for DC Fast Charging, Curbside Charging, and Level 2 Chargers.	The participating jurisdictions will review and select up to 3 companies to complete the installation and maintenance of the designated chargers within the region. The participating jurisdictions will select one company for each charger type across all participating jurisdictions.	July 20, 2025
Selection of Project Manager	The participating jurisdictions will also select a single project manager to lead the implementation of the charging stations across each jurisdiction.	July 20, 2025

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Contracting	Each individual jurisdiction will contract with the applicable selected EV charging companies for completion of the work scope included in the Design Section above.	August 1, 2025
Outreach to Curbside Charging Building Owners	The selected curbside EV charging contractor will conduct outreach to building owners in the selected curbside charging areas to identify potential buildings suitable for curbside charging.	October 1, 2025
30/60/90% design completed	The selected EV charging contractors will complete 30/60/90 designs for their covered charger types at the selected sites.	December 1, 2025
Utility Project review and approval	At this stage PG&E will review the designs and locations and provide approval for installation.	January 1, 2026
Identify and contract with curbside charging building owners	Behind the meter curbside charging will not require PG&E approval and therefore can move forward more quickly. During this step, the curbside charging contractor will establish agreements with the selected buildings to host the curbside chargers.	Feb 1, 2026
Permits secured/Project Approval	The participating jurisdictions will work with the project manager and contractors to secure the required permits/environmental (if needed) for installation of the curbside EV charging stations.	May 1, 2026
Site rights or Right of Way (ROW) acquired	The participating jurisdictions will work with the project manager and contractors to allow for curbside charging in the public ROW and complete and lease agreements for the land with the curbside contractor.	August 1, 2026
Curbside Charging Installation	Curbside charging Construction funds will be allocated and construction will begin.	Sept 1, 2026
Approval by Utility	PG&E approves all applicable projects	August 1, 2026
Permits Secured/Project Approval	The participating jurisdictions will work with the project manager and contractors to secure the required permits/environmental (if needed) for installation of the EV charging stations.	October 1, 2026
Site rights or Right of Way (ROW) acquired	The participating jurisdictions will work with the project manager and contractors to complete all ROW approvals.	October 1, 2026
Construction Funds Allocated	All construction funds obligated by this time.	November 1, 2026
Construction Begins	Construction of DC Fast Chargers and Level 2 chargers begins across all jurisdictions.	December 1, 2026
Construction Completion and End of Grant Period	Construction concludes and chargers are made available for use. No additional reimbursements from grant anticipated after this milestone.	May 1, 2027

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METROPOLITAN
TRANSPORTATION
COMMISSION

Cost-Effectiveness (20 Points)

Q15. Project Costs – list the project cost assumptions in the table below in as much detail as is available, including expense type (e.g., equipment, materials, software, construction labor, permits, site design services, contingency), number of units, and cost per unit. *(Reminder: please consider all potential costs since this program cannot fund cost increases after award)*

Expense	Quantity	Cost per Unit	Total Cost	Notes and Assumptions
Level 2 dual-port chargers - Hardware	8	\$11,000	\$88,000	Based on market research for 9kW-19.2kW dual port level 2 chargers
Level 2 dual-port chargers - O&M and Software for up-to five years	8	\$4,000	\$32,000	Based on market research. Many EV companies offer discounted software packages for multi-year periods. The O&M and software package selected for this project will comply with grant requirements and will be paid for as a lumpsum payment when the charger hardware is purchased. There will be no ongoing O&M or software costs billed to this grant.
Level 2 dual-port chargers - Necessary panel upgrades	8	\$10,000	\$80,000	Panel upgrades can cost \$7-18K and are not anticipated to be necessary for every site, so an average \$10K was applied across all chargers.
Level 2 dual-port chargers - Shipping	8	\$500	\$4,000	Based on market research
Level 2 dual-port chargers - Installation and design costs	8	\$17,000	\$136,000	Based on market research
Level 2 single-port curbside chargers - Hardware	16	\$4,000	\$64,000	Based on market research for 6kW-10kW single port level 2 chargers
Level 2 single-port curbside chargers - O&M and Software for up-to five years	16	\$5,000	\$80,000	Based on market research. Many EV companies offer discounted software packages for multi-year periods. The O&M and software package selected for this project will comply with grant requirements and will be paid for as a lumpsum payment when the charger hardware is purchased. There will be no ongoing O&M or software costs billed to this grant.
Level 2 single-port curbside chargers - Shipping	16	\$250	\$4,000	Based on market research

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Level 2 single-port curbside chargers - Installation and design costs	16	\$5,000	\$80,000	Based on market research
Contingency	1	\$28,400	\$28,400	Contingency based on 5% of EV infrastructure and installation costs
Charger permitting	24	\$2,000	\$48,000	24 chargers total, with permits averaging \$2,000 each
Project Management	1	\$96,660	\$96,660	Project management cost based on 15% of Project cost
Q16. Total Project Cost			\$ 741,060	

Q17. Grant Request – what is the grant funding amount requested of this program?	\$ 581,060
Q18. Match – an 11.47% match of the total project cost is required. Please list non-federal match amount(s) and source(s). Indicate any unsecured amounts and sources, such as anticipated grant funding opportunities <i>(Reminder: grant recipients must provide a minimum non-Federal match of 11.47% of Q16. Total Project Cost)</i>	\$ 160,000 from Peninsula Clean Energy
Q19. Cost per Port – calculate the total cost per charging port (total project cost divided by the total number of charging ports)	<p>\$ 23,158</p> <p>Total project cost was estimated from vast market research. We included high ends of estimates, as well as a 5% contingency, to ensure all costs could be covered through this program. We also included project management costs so that a third party could be hired to oversee county-wide implementation across all participating jurisdictions. While these steps increased the total cost per port, we anticipate they will lead to smooth project implementation.</p>

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Desired Qualifications (up to 22 additional points)	
<p>Q20. Project Location (up to 7 additional points) – if the project includes site(s) in Transit-Oriented Communities (TOC) policy locations, please list the Corridor/Station Name(s) of the TOC Policy areas (5 points), as well as any Equity Priority Community (EPC) (2 points) locations. The TOC and EPC layers can be accessed in one map. See each layer for locations and names.</p>	<ul style="list-style-type: none"> • Site at 2415 University Ave, East Palo Alto, CA 94303 is in an EPC area. • Site at 560 Bell Street, East Palo Alto, CA 94303 is in an EPC area. • Site at 2100 Bay Rd. East Palo Alto, CA 94303 is in an EPC area. • Site at 901 Weeks St, East Palo Alto, CA 94303 is in an EPC area. • Site at 1730-1748 Bay Rd, East Palo Alto, CA 94303 is in an EPC area. • Site at 599-501 Sacramento St, East Palo Alto, CA 94303 is in an EPC area. • Site at 204-326 E Okeefe St, East Palo Alto, CA 94303 is in an EPC area. • Site at 1977 Tate St, East Palo Alto, CA 94303 is in an EPC area. • Site at 25 Newell Rd, East Palo Alto, CA 94303 is in an EPC area.
<p>Q21. E-mobility Charging Projects (Up to 10 additional points) – if the project incorporates electric micromobility (e.g., electric bikes, scooters) or shared mobility (e.g., electric bikeshare, carshare) charging and associated equipment, please describe.</p>	N/A
<p>Q22. Scalable Solutions (Up to 5 additional points) – if applicable, please describe how the project implements an approach that minimizes cost, infrastructural, policy, or other barriers and demonstrates solutions that can be scaled or replicated in other areas.</p>	<p>A regional strategy provides economies of scale by consolidating resources, expertise, and procurement processes. This approach minimizes costs and maximizes efficiency while aligning infrastructure development with countywide goals. The collaboration facilitated through the RICAPS program has been instrumental in identifying shared challenges and tailoring solutions that are universally applicable across jurisdictions.</p> <p>The proposed curbside charging program exemplifies scalability as it represents a new approach to EV infrastructure development. Curbside chargers are a cost-effective solution that eliminates the need for extensive grid upgrades by utilizing behind-the-meter connections. This reduces installation costs and streamlines deployment, making it an attractive option for urban and suburban areas alike. Piloting this innovative model in San Mateo County provides an opportunity to refine and demonstrate its viability, creating a framework that could be scaled significantly if successful.</p> <p>By prioritizing equitable access, the program addresses a critical gap for renters and residents without private charging options, ensuring a broad user base that supports expansion. Additionally, we anticipate that there will be more property owners who volunteer to participate in this program than we will have chargers to install. We will keep a list of interested property owners so that, should the curbside program scale up in the future, we can more quickly identify specific sites for installation.</p> <p>If successful, this initiative can serve as a model for other jurisdictions in San Mateo County. The lessons learned from this Project will inform the refinement and replication of programs in neighboring cities, creating a</p>

2024 CLIMATE PROGRAM IMPLEMENTATION GRANTS

Charging Infrastructure Program Application Form



	<p>countywide network of accessible, reliable EV charging infrastructure. This framework can also be adopted by other counties, providing a proven methodology for regional collaboration on climate action and infrastructure Projects.</p> <p>Beyond the county, the Project demonstrates how localized challenges can be addressed through regional coordination. The integration of community feedback, adherence to industry standards, and innovative design elements maximize the Project’s relevance and adaptability. By sharing best practices and outcomes, San Mateo County can inspire similar initiatives across the state and contribute to a broader transition to sustainable transportation. RICAPS will continue to serve as a vehicle for EV implementation in the region, supporting EV infrastructure planning and deployment.</p>
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Post-Award Requirements	
<p>Q23. Post-Award – please check the boxes to acknowledge understanding of the post-award requirements if awarded funding.</p> <p><i>These requirements do <u>not</u> need to be completed for the application. More information will be provided upon award.</i></p>	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> Complete a Carbon Reduction Program (CRP) Project Alignment Confirmation Form <input checked="" type="checkbox"/> Adopt a Resolution of Local Support <input checked="" type="checkbox"/> Submit the project into the Transportation Improvement Program (TIP) <input checked="" type="checkbox"/> Obligate the project by January 31, 2027 <input checked="" type="checkbox"/> Attend a grant program kickoff meeting <input checked="" type="checkbox"/> Provide quarterly progress reports and participate in check-in meetings <input checked="" type="checkbox"/> Provide data for evaluation and reporting <input checked="" type="checkbox"/> Complete project within three years of funding obligation <input checked="" type="checkbox"/> Complete final closeout report
Supplemental Information	
<p>Q24. Supplemental Files – list all additional files that are being submitted to supplement the application (e.g., letters of support, charging location analysis, project engineering and design files, etc.) and indicate if the materials are in support of a specific question or requirement.</p> <p>Email the supporting files to James Choe (jchoe@bayareametro.gov) as a single separate attachment in addition to this completed Application Form. Include the word “SUPPLEMENTAL” in the file name.</p>	<ul style="list-style-type: none"> • MTC Complete Streets Checklist, as required. • Letter of Support from Peninsula Clean Energy, as Project Support.



EAST PALO ALTO CITY COUNCIL STAFF REPORT

DATE: May 6th, 2025
TO: Honorable Mayor and Members of the City Council
VIA: Melvin E. Gaines, City Manager
BY: James Colin
SUBJECT: Jonathan's Fish and Chips Proclamation

Recommendation

Present the Proclamation

Attachments

1. Proclamation

PROCLAMATION OF THE CITY OF EAST PALO ALTO HONORING MS. PHYLLIS AND JONATHAN'S FISH & CHIPS FOR 31 YEARS OF CULINARY EXCELLENCE AND COMMUNITY IMPACT

WHEREAS, Ms. Phyllis, founder of Jonathan's Fish & Chips, has been a beloved culinary force in the Bay Area since 1994, known for her flavorful fish and chips, Creole-inspired cuisine, and her unwavering commitment to quality and service; and

WHEREAS, Ms. Phyllis launched her business by taking a chance on a small storefront on Willow Road in East Palo Alto, quickly turning it into a community favorite whose reputation attracted loyal patrons from all walks of life—including local families, the San Francisco 49ers, and Grammy Award-winning artist H.E.R.; and

WHEREAS, her entrepreneurial spirit, resilience, and deep connection to the community have fueled her journey through challenges and reinvention—including a major pivot in 2020, when she transitioned Jonathan's Fish & Chips from a brick-and-mortar restaurant to a thriving food truck business; and

WHEREAS, through her partnerships with Renaissance Entrepreneurship Center, Working Solutions CDFI, and the Small Business Development Center, Ms. Phyllis has continued to invest in her vision—securing funding, rebranding her business, and launching a new food truck to expand her reach and meet growing demand; and

WHEREAS, after 31 years of service, perseverance, and mouthwatering meals, Ms. Phyllis remains steadfast in her mission to serve “always fresh” food while uplifting others and “changing the world, one meal at a time”; and

WHEREAS, on April 18, 2025, the community gathers near 1848 Bay Road to celebrate a milestone ribbon cutting marking both 31 years in business and the exciting launch of her new food truck—a moment of pride and inspiration for East Palo Alto and beyond.

NOW, THEREFORE, BE IT PROCLAIMED, that the City Council of the City of East Palo Alto hereby recognizes and honors Ms. Phyllis and Jonathan's Fish & Chips for their exceptional contributions to the cultural and entrepreneurial fabric of our city.



Dated: April 18, 2025

Martha Barragan, Mayor

Legacy on Wheels: How Ms. Phyllis Took Her Legendary Fish & Chips on the Road

For decades, Ms. Phyllis has been known across the Bay Area for her mouthwatering fish and chips and Creole-inspired cuisine. But beyond her signature dishes, her drive and dedication to her craft have made Jonathan's Fish & Chips a beloved name in the community.

Her journey began in 1994 when she saw potential in a vacant space on Willow Road. She took a leap of faith, opening Jonathan's Fish & Chips and quickly building a loyal following. From local fans to well-known figures like the 49ers and Grammy-winner H.E.R., Ms. Phyllis's cooking became a local staple.

In 2020, when a lease challenge forced her to rethink her business model, she pivoted—taking Jonathan's Fish & Chips on the road with a food truck. The transition came with new challenges, from navigating permits to adapting to mobile operations. Friends repeatedly recommended she connect with the Renaissance Entrepreneurship Center, and she took it as a sign to seek support. Renaissance was there to guide her through the transition, helping her navigate the complexities of launching a food truck business.

This past year, Ms. Phyllis took a moment to look ahead, having navigated the pandemic, the shift from a storefront to a food truck, and the challenges of running a business amid rising costs. Despite it all, demand for her food continued growing, with requests pouring in for events and festivals nearby. She realized that to meet these demands and sustain her legacy, she needed a more reliable truck and a refreshed brand that reflected her 30+ years in business and her unwavering commitment to “always fresh” ingredients and service.

Once again, Ms. Phyllis turned to Renaissance, this time partnering with both Renaissance and the Small Business Development Center (SBDC) to secure funding for a new truck. With their support, she successfully obtained capital and is ready to embark on the next chapter of Jonathan's Fish & Chips—operating from a new truck with updated branding while staying true to her lifelong commitment to great food and community.

Her vision remains firm: to bring her food to more communities and continue “changing the world, one meal at a time.”



EAST PALO ALTO CITY COUNCIL STAFF REPORT

DATE: May 6th, 2025
TO: Honorable Mayor and Members of the City Council
VIA: Melvin E. Gaines, City Manager
BY: James Colin
SUBJECT: Davante Lavell Adams Proclamation

Recommendation

Present the Proclamation

Attachments

1. Proclamation

PROCLAMATION OF THE CITY OF EAST PALO ALTO HONORING DAVANTE ADAMS FOR HIS CONTRIBUTIONS TO YOUTH AND THE COMMUNITY

WHEREAS, Davante Lavell Adams is a professional football wide receiver and one of the National Football League's premier athletes, currently playing for the Los Angeles Rams; and

WHEREAS, Mr. Adams is a native of East Palo Alto and a proud alumnus of Palo Alto High School, where he first showcased the talent, perseverance, and leadership that would lead him to national prominence; and

WHEREAS, after playing college football at Fresno State and earning All-American honors, Mr. Adams was selected in the second round of the 2014 NFL Draft and has since built a celebrated 11-year career, becoming one of the league's all-time leaders in receptions, receiving yards, and touchdowns; and

WHEREAS, despite his national success, Mr. Adams remains deeply committed to giving back to the community that shaped him, especially the youth of East Palo Alto and the greater Bay Area; and

WHEREAS, on April 18, 2025, Mr. Adams will visit the Boys & Girls Clubs of the Peninsula (BGCP) East Palo Alto Clubhouse to surprise students and engage in a Q&A session hosted by East Palo Alto's 2025 Youth of the Year Representative, Celena; and

WHEREAS, on April 19, 2025, Mr. Adams will host a free youth football camp at Palo Alto High School, offering an enriching experience for approximately 360 young people, including 140 BGCP students, with football drills, motivational remarks, food, and other activities; and

WHEREAS, Mr. Adams has expressed his pride and joy in bringing his annual youth camp "back to the Bay this year and giving back to the community that gave so much to me," demonstrating a heartfelt commitment to uplifting the next generation.

NOW, THEREFORE, BE IT PROCLAIMED, that the City Council of the City of East Palo Alto does hereby recognize and commend Davante Adams for his outstanding achievements in professional sports and his unwavering dedication to empowering and inspiring youth in our community.



Dated: April 18, 2025

Martha Barragan, Mayor



EAST PALO ALTO CITY COUNCIL STAFF REPORT

DATE: May 6, 2025

TO: Honorable Mayor and Members of the City Council

VIA: Melvin E. Gaines, City Manager

BY: Humza Javed, Public Works Director
Batool Zaro, Senior Engineer

SUBJECT: Capital Improvement Project informational presentation

Recommendation

Receive presentation concerning capital improvement projects, including project status updates.

Background

As part of an ongoing effort to keep the City Council informed on the status of capital projects citywide, an informational presentation will be provided by public works staff

Analysis

The projects to be discussed are included as Attachment 1.

Fiscal Impact

There is no fiscal impact for this item.

Public Notice

The public was provided notice by making the agenda and report available on the City's website and on a bulletin board located at City Hall: 2415 University Avenue, East Palo Alto.

Environmental

The action being considered does not constitute a "project" within the meaning of the California Environmental Quality Act (CEQA), pursuant to CEQA Guideline section 15378 (b)(5), in that it is a government administrative activity that will not result in direct or indirect changes in the



INFORMATIONAL REPORTS 6.1

environment.

Government Code § 84308

Applicability of Levine Act: No, as the proposed does not involve an entitlement.

Analysis of Levine Act Compliance: Not applicable.

Attachments

1. Project List



CURRENT AND ACTIVE PROJECTS

No.	CIP ID	PROJECT	GENERAL & CIP FUNDS	OTHER LOCAL FUNDING	GRANTS	TIMELINE (Completion date)
1	PK-18	<p>Railspur Trail Improvements</p> <p>This project includes enhancing the Railspur Trail to be better used as a shared path, with improved striping and signage to meet current Class I facility standards. New landscaping will be added and improvements to the existing landscape will be made. The lighting will be replaced and upgraded and amenities like benches will be added. The asphalt will also be replaced with improved grading.</p>			\$1,530,000	Fall 2026
2	ST-25	<p>Bus Stop Shelter Improvements</p> <p>This project will include replacing and upgrading the City's bus stop infrastructure. This project includes improvements to the furniture and sidewalks at SamTrans bus stops throughout the City. The City will be replacing eight (8) bus stop shelters and nine (9) benches to bolster the usage of the transit system. Additionally, nine (9) sign seats will be installed at stops. Furthermore, improvements will be completed on the surrounding sidewalks, curb ramps and infrastructure to enhance accessibility.</p>			\$805,548	Complete - closeout
3	ST-26	<p>Addison Avenue Improvements</p> <p>This project includes green infrastructure and safe routes to school improvements along Addison Avenue from East Bayshore to Bay Road.</p>	\$37,500		\$2,188,790	Complete - closeout
4	ST-09	<p>Bicycle and Pedestrian Improvements</p> <p>This project is for the installation of street improvements designed to enhance vehicular, pedestrian and bicycle safety throughout the City. Improvements include the installation of enhanced signage, striping and loop detectors for bicycles. A portion of the project will be constructed in conjunction with the Street Resurfacing Project. This project is ongoing and funded through various sources including local tax measures and grants.</p>		\$1,500,000	\$530,000	Ongoing - annually
5	WS-01A	<p>Woodland/Palo Alto Emergency Intertie</p> <p>This project will establish an emergency intertie with the City of Palo Alto's water system. Establishment of an intertie will allow the City to obtain emergency water in</p>	\$433,400			Complete - closeout



CONSENT ITEM 6.1

No.	CIP ID	PROJECT	GENERAL & CIP FUNDS	OTHER LOCAL FUNDING	GRANTS	TIMELINE (Completion date)
		<p>case the City's connection with the Hetch Hetchy Aqueduct is severed. Currently, the City has no emergency source of water if the City's connection with the Hetch Hetchy Aqueduct is severed.</p> <p>This project also includes the installation of a 12 inch water main on Woodland Avenue across University Avenue.</p>				
7	PK-05A	<p>Joel Davis Park Restroom</p> <p>This project implemented improvements to Joel Davis Park. The scope of work included the installation of a new double restroom and some concrete and utility work associated with the restroom installation. The availability of a restroom will help support greater use of the park.</p>	\$228,102		\$196,593	Complete - closeout
8	ST-08	<p>University Avenue Resurfacing/Signal</p> <p>This project provides for pavement resurfacing, restriping, upgrading of traffic signals and various other improvements at the University Avenue and Runnymede Street intersection. The work will also include installation of safety and ADA improvements at various intersections along University Avenue, including improvements to crosswalks and signage. The project will also involve the installation of traffic and bicycle loop detectors at all signalized intersections along University Avenue in the City. Traffic signal modifications will be made at the intersection of University Avenue and Runnymede Street to provide an exclusive left-turn phase. It is funded through HSIP funds.</p>			\$1,234,000	Fall 2025 – Summer 2026
9	ST-04A/B	<p>Street Light Upgrade Project Phase 2</p> <p>When the City of East Palo Alto was part of unincorporated San Mateo County, street lights in East Palo Alto were placed using a rural lighting standard. This project includes the installation of additional LED streetlights to fill gaps at various locations identified by the community in order to bring East Palo Alto up to urban lighting standards, which typically require a 200 foot maximum spacing between poles. It is estimated that 300 additional LED streetlights should be installed to meet community demand. A city-wide lighting assessment, solar lighting and other new lighting fixtures will be a part of the Phase 2 project.</p>		\$2,000,000		Summer 2025 – Winter 2028



CONSENT ITEM 6.1

No.	CIP ID	PROJECT	GENERAL & CIP FUNDS	OTHER LOCAL FUNDING	GRANTS	TIMELINE (Completion date)
10	ST-11	<p>Sidewalk Repair Program (PMP)</p> <p>This project provides for maintenance and reconstruction of damaged and inadequate City sidewalks. This program involves the evaluation of the condition of existing sidewalks and the development of a strategy for prioritizing and scheduling repair/reconstruction. Regular maintenance is required to keep existing sidewalks in a condition that will ensure pedestrian safety. This program would also ensure that every existing tree that is removed as part of sidewalk repair or maintenance is replaced with two new trees of an appropriate variety at a location that would not interfere with sidewalk, pavement, or underground utilities in the future</p>		\$750,000		Ongoing - annually
11	ST-14A/B	<p>Univ Ave Interchange + Pedestrian Overcrossing (101)</p> <p>This project includes construction of a pedestrian/bike overcrossing as well as widening of the University Avenue/US 101 off ramp to provide safer pedestrian and bicycle travel and more efficient vehicle travel. The Project began construction in Summer 2023 and is anticipated to complete in 2025. The design of the improvements will be required to meet Caltrans standards.</p>	\$836,632.1		\$14,665,499	Summer 2025
12	ST-07	<p>Annual Street Resurfacing (PMP)</p> <p>This project provides for the resurfacing of City streets during the ten-year life of the CIP. The City's Pavement Management Program (PMP) will be updated in 2024. The PMP documented the existing conditions of City streets and outlined recommended strategies for systematically maintaining and improving streets with the City's available funding. The PMP divided streets into two categories based on their condition: streets requiring resurfacing for preventative maintenance, and those requiring major reconstruction. This project addresses the City's street resurfacing needs to prevent the deterioration of roads in fair condition into roads that require reconstruction. Roughly \$2,500,000 needs to be expended annually on street resurfacing over the next five years to maintain the City's current pavement condition index (PCI) score.</p>		\$6,000,000		Summer 2025
13	PK-20	<p>Rutgers Trail Gate</p> <p>The Rutgers Trail Gate was approved to be installed by Midpeninsula Open Space Preserve (Midpen) in</p>	\$50,000	\$50,000		Summer 2025



CONSENT ITEM 6.1

No.	CIP ID	PROJECT	GENERAL & CIP FUNDS	OTHER LOCAL FUNDING	GRANTS	TIMELINE (Completion date)
		February 2024. The gate will be partially funded by Midpen in the amount of \$50,000 with total project costs estimated to be \$100,000.				
14	FA-02	Tate Street Building Improvements This project would improve the physical condition of the Community Development/Public Works Department building. Roof repair and other basic improvements such as HVAC will be a part of the work to occur in 2025.	\$140,000			Fall 2025
15	FA-15	Cummings Loft Improvements This project involves the construction of an incubator space for small businesses in the community. Several years ago, the City acquired a commercial space (known as Cummings Loft) of nearly 1,000 sq/ft as part of a negotiation with a developer who built a mixed-use project. The intent was to create incubator space for East Palo Alto small businesses and non-profits that were on the verge of being displaced due to gentrification. The developer provided the space in a "cold shell" condition. Therefore, the space needs drywall, plumbing, flooring, paint, and other essential features prior to making the space available for use. To ensure the existing tenants are not impacted by the incubator space, the City also plans to make ingress and egress/security upgrades on the outside of the property.			\$550,000	March 2026
16	FA-17	Police Department Facility Improvements This project includes improvements to the Police Department trailers. The trailers need plumbing, HVAC, awning, ADA, roof, and security upgrades.	\$600,000			Fall 2025
17	WD-04B	University/Weeks Watermain This project includes the installation of a 12 inch water main along University Avenue from O'Brien Street to Donohoe Street. The project also includes the installation of a 12 inch water main along Weeks Street from Cooley Avenue/University Avenue to Pulgas Avenue. This project will address water pressure and flow issues City wide.	\$530,319	\$1,000,000	\$5,200,000	June 2025



CONSENT ITEM 6.1

No.	CIP ID	PROJECT	GENERAL & CIP FUNDS	OTHER LOCAL FUNDING	GRANTS	TIMELINE (Completion date)
19	SP-14	<p>Newell Bridge</p> <p>The existing bridge along Newell Road was built in 1911. The California Department of Transportation inspected the over-100-year-old bridge on multiple occasions and determined it is functionally obsolete due to its dimensions. The narrow bridge does not accommodate two directional traffic or meet the current standards for bicycle and pedestrian access. In addition, the bridge presents flood risks due to bridge abutments that create creek constriction. Replacing the bridge will improve safety for all modes of transportation, provide a designated crosswalk for pedestrians, and enable the creek channel to convey more flow and mitigate the risk of flood. The project cost is estimated to be \$16,000,000 and is being funding by multiple grants being managed by the City of Palo Alto.</p>		\$16,000,000		Fall 2025 - 2027
20	ST-15	<p>Signage and Striping Improvements</p> <p>This project is for the installation of new signage and new striping to improve vehicular, pedestrian and bicycle safety throughout the City. In future years, staff anticipates needing \$50,000 annually to maintain and/or replace striping and signs.</p>		\$50,000		Ongoing
21	WS-09	<p>Water Tank Siting Study</p> <p>This project would fund a study to identify the best location(s) for a water tank, better serve East Palo Alto residents in the event of a water shortage.</p>	\$150,000			Spring 2026
22	FA-16	<p>City of East Palo Alto Library (Design Phase Only)</p> <p>The project's scope of work includes the design and construction of a library facility owned and operated by the City of East Palo Alto. The current local library is in City Hall and owned by San Mateo County. This project is in the design phase.</p>	\$1,600,000		\$1,500,000	Winter 2025
23	ST-28	<p>East Bayshore Sidewalk Improvements (Design Phase Only)</p> <p>The project involves pedestrian and cyclist safety improvements along East Bayshore Road from Euclid Avenue to Menalto Avenue. As part of the project, the City will install sidewalks, bikeways, traffic calming measures, green infrastructure, and lighting as determined in the PS&E package currently being developed. Design is complete and project is currently</p>	\$20,000		\$400,000	Complete



CONSENT ITEM 6.1

No.	CIP ID	PROJECT	GENERAL & CIP FUNDS	OTHER LOCAL FUNDING	GRANTS	TIMELINE (Completion date)
		being bid for construction. Construction anticipated to begin in late 2025 and last one year.				
24	SP-02B	<p>San Francisquito Creek Reach II</p> <p>After the construction of flood protection improvements downstream of Highway 101 (SP-02A), the San Francisquito Creek Joint Powers Authority (SFCJPA) is designing and constructing improvements upstream of Highway 101 to improve flood water conveyance through this stretch. A portion of East Palo Alto, along Woodland Avenue, will be affected by this project. The extent of the improvements and the City's expected financial contribution are currently unknown.</p> <p>An updated hydraulic model prepared by Schaaf and Wheeler is being used to update the design of this project. Feasibility ranges for potential alternatives range from \$120million to \$170million.</p> <p>The \$2.5 million contribution by the City towards this project was previously estimated to cover the funding shortfall for construction. This will need to be updated as project design is further evaluated.</p>	\$935,000			ongoing
25	SP-02C	<p>Safer Bay (Phase 1 Only)</p> <p>This is a long-term project that will build infrastructure to protect East Palo Alto residents and developmental assets that lie within the 100-year floodplain boundary plus 3.5 feet of projected sea level rise. This project will be broken into two components: Flood protection via levee/floodwall and combination of flood protection features. This levee would protect East Palo Alto from the O'Connor pump station northerly to Bay Road. This levee would primarily prevent flooding in the Weeks and Gardens neighborhoods.</p> <p>The second component is an eco-tone transition zone - This enables the restoration of the former salt ponds into tidal marshes with high ecological value and flood protection benefits. This portion of the project is a requirement to mitigate the environmental impacts associated with flood protection elements.</p> <p>This project only includes design and construction of the portion south of Bay Road along with Restoration for R1 and R2. The design is anticipated to be completed by December 2026.</p>	\$1,162,210		\$3,643,576	December 2026



CONSENT ITEM 6.1

No.	CIP ID	PROJECT	GENERAL & CIP FUNDS	OTHER LOCAL FUNDING	GRANTS	TIMELINE (Completion date)
26	SD-08	<p>Full Trash Capture Device Installation (Phase I and II)</p> <p>As part of the City's Municipal Stormwater Permit requirements, the City must move towards 100% trash capture of storm water runoff by the year 2025. The City is presently at 67% full trash capture without "credits" for bag ban, cleanups, etc. which phased out in 2022/2023. The project in 2025 proposes to install 75 additional trash capture devices at drainage inlets over the next several years in order to meet the requirements of the City's Municipal Regional Stormwater Permit.</p> <p>Caltrans has agreed to fund a full-trash capture device in East Palo Alto, located near its border with Menlo Park, in the amount of \$2,225,000. This device will be installed in late 2025.</p>	\$350,000		\$2,225,000	December 2025
27	WD-05	<p>Water Meter Replacement</p> <p>This project will replace water meters, water meter boxes, and lids as well as 100 large meters. The replacement of meters and meter reading equipment will enhance and upgrade the ability to monitor usage and reduce the time associated with meter reading. The schedule of water meter replacement is outlined in the City's Water System Master Plan and will be completed in phases.</p>	\$180,000			Winter 2025
28	ST-29	<p>University Avenue Grand Corridor</p> <p>This project is included in the vision of the City's General Plan. The General Plan envisions University Ave. being transformed from a cut-through corridor into a mixed use boulevard with high-density housing, neighborhood-serving businesses and offices. This includes multimodal and complete streets improvements along University Avenue. The project is currently in the conceptual design phase, with work expected to continue for the lifecycle of this current Capital Improvement Program.</p>	\$1,000,000	\$1,000,000		Winter 2025
29	SD-06A/B	<p>O'Connor Pump Station (Phase I only)</p> <p>Phase I is aimed at making immediate improvements at the existing O'Connor Pump Station which includes replacement of existing pumps, motors, light fixtures,</p>			\$800,000	Winter 2025



CONSENT ITEM 6.1

No.	CIP ID	PROJECT	GENERAL & CIP FUNDS	OTHER LOCAL FUNDING	GRANTS	TIMELINE (Completion date)
		<p>and replacing the existing diesel engine with an electric engine. This phase also includes removal of the underground diesel tank as required by the State.</p> <p>Phase II will include major improvements to the existing O'Connor Pump Station existing pumps, electrical facilities and the wet well structure.</p>				
30	ST-12	<p>Traffic Calming Program – Pulgas Roundabouts</p> <p>This project provides for the planning and construction of traffic calming devices throughout East Palo Alto. Phase 1 of this project, the Pulgas Ave. roundabouts, is underway.</p>	\$500,000	\$340,000	\$400,000	Fall 2025
31	FA-10	<p>Electric Vehicle Charging Stations</p> <p>This project is included as an implementation project in the Climate Action Plan. It includes citywide review of potential charging stations and implementation includes the construction of stations at City-owned or operated facilities identified to be high priority for the state of California's new Advanced Clean Fleets regulations. The City is currently in the design phase for the installation of a single 2-port charging station at 1960 Tate Street (the Community Development Building).</p>			\$120,000	Summer 2025 – Winter 2025
32	ST-34	<p>Lighting at Clarke Avenue Overcrossing</p> <p>This project will address lighting deficiencies at the Clarke Ave. overcrossing. This project will be merged into ST04 A/B. This project has been added to improve the safety and quality of the overcrossing for resident use. This project would improve lighting at the Clarke Ave. overcrossing.</p>	\$150,000			Ongoing though 2028



EAST PALO ALTO SANITARY DISTRICT STAFF REPORT

DATE: May 6, 2025

TO: Honorable Members of the City of East Palo Alto City Council,
Governing Board to the East Palo Sanitary District, a Subsidiary of the City of
East Palo Alto

VIA: Melvin E. Gaines, General Manager

BY: Tomohito Oku, District Treasurer
Bo-Kyoung Kim, Financial Services Manager

SUBJECT: EPASD FY2024-25 Budget Update

Recommendation

Accept and discuss EPASD FY2024-25 Budget Update report.

Alignment with City Council Strategic Plan

This recommendation is primarily aligned with:

- Priority No 3: Promote Health & Public Safety.
- Priority No 4: Ensure Our Financial and Organizational Health

Background

On November 15, 2023, the San Mateo Local Agency Formation Commission (LAFCo) unanimously approved the City of East Palo Alto’s application to designate the East Palo Alto Sanitary District (EPASD or “District”) as a subsidiary district of the City. The reorganization became effective on October 1, 2024, at which time the City Council assumed governance of EPASD as its governing board.

Prior to the reorganization, on July 30, 2024, the EPASD Board – under the prior administration – held a public hearing and unanimously adopted the District’s Fiscal Year 2024-25 Annual Budget.



This staff report is informational and provides the adopted FY 2024-25 EPASD budget along with year-to-date expenditures through February 28, 2025. As of that date, actual spending remains within the approved budget limits, and no budget amendment is currently necessary.

Analysis

Financial Reporting Entity and Its Relation to the City

The City's Basic Financial Statements will include the financial activities of the District as a blended component unit as required by accounting principles generally accepted in the United States of America (US GAAP). Under GASB (Governmental Accounting Standards Board) guidance, a blended component unit is a legally separate entity that is so closely related to the primary government that it is reported as part of the primary government in the financial statements – as if it were a department or fund of the government itself. Blending is required when the component unit's governing body is substantively the same as the governing body of the primary government (the District is governed by a five-member Board of Directors who are the members of City of East Palo Alto Councilmembers), and either a financial benefit or burden relationship exists, or the primary government has operational responsibility for the component unit. It may also be required if the component unit provides services entirely or almost entirely to the primary government, or if the primary government is expected to repay the component unit's debt.

While the District is reported as a blended component unit of the City, its financial activities are accounted for in a separate enterprise fund – within the proprietary fund category – similar to the City's water and garbage collection enterprise funds. This fund structure ensures transparency by clearly distinguishing the District's financial operations from other City activities. In addition, the District prepares and issues its own stand-alone audited financial statements and maintains an independent budgeting process, including the submission of a separate proposed budget and related budget reports.

Budgetary Basis of Accounting

Consistent with current Generally Accepted Accounting Principles in the United States of America (US GAAP), the District's activities are accounted for in an accrual method to produce its financial statements for external reporting. The accrual method records revenue when earned and expenses when incurred, and capital outlays are not expensed immediately, which is like private business enterprises. While the District's audited financial statements are accounted for as an enterprise fund, the budget is prepared generally based on the modified accrual basis of accounting which is suited for short-term financial planning such as an annual budget process. The modified accrual basis of accounting, used for governmental funds, recognizes revenues when they are both measurable and available to finance current expenditures, and recognizes expenditures when the related liability is incurred and due, with capital outlays recorded as expenditures in the year incurred and no depreciation recognized, reflecting a focus on current financial resources rather than long-term assets and obligations.



FY2024-25 Budget Highlights and Budget Analysis

The following table provides comparative analysis between FY2023-24 and FY2024-25 budgets.

	<u>Adopted Budget FY2023-24</u>	<u>Adopted Budget FY2024-25</u>	<u>Variance</u>	<u>%</u>
Operating Revenue:				
Sewer Service Charges	\$ 4,627,750	\$ 5,197,840	\$ 570,090	12.3%
Total Operating Revenue	4,627,750	5,197,840	570,090	12.3%
Non-operating Revenues:				
Property taxes	835,000	680,000	(155,000)	-18.6%
Connection Fee	25,000	2,000,000	1,975,000	7900.0%
Interest Income	339,100	345,675	6,575	1.9%
Rental Income	36,360	36,360	-	0.0%
Other fees	-	-	-	0.0%
Total Non-operating Revenues	1,235,460	3,062,035	1,826,575	147.8%
Total Revenues	\$ 5,863,210	\$ 8,259,875	\$ 2,396,665	40.9%
Operating Expenditures:				
Salaries and Benefits	\$ 769,000	\$ 781,750	\$ 12,750	1.7%
Treatment Contract	2,090,000	2,186,000	96,000	4.6%
Temp Contractual Services	780,000	890,000	110,000	14.1%
Engineering Services	180,000	180,000	-	0.0%
Legal Services	150,000	750,000	600,000	400.0%
Accounting and related Services	225,000	230,000	5,000	2.2%
Insurance	205,000	220,000	15,000	7.3%
Meeting, Travel, and Training	48,000	48,000	-	0.0%
Other Operating Expenditures	353,400	455,900	102,500	29.0%
Total Operating Expenditures	4,800,400	5,741,650	941,250	19.6%
Capital Expenditures	13,000,000	5,400,000	(7,600,000)	-58.5%
Total Expenditures	\$ 17,800,400	\$ 11,141,650	\$ (6,658,750)	-37.4%
Change in Fund Balance	\$ (11,937,190)	\$ (2,881,775)	\$ 9,055,415	-75.9%
Use of Reserve	11,937,190	2,881,775	(9,055,415)	-75.9%
Budget Surplus (Deficit)	-	-	-	0.0%
Ending Unrestricted Reserve*	\$ 23,108,594	\$ 20,226,819	\$ (2,881,775)	-12.5%

The District's FY2024-25 Annual Budget is balanced, with total funding requirements fully supported by available funding sources. Total funding requirements, including capital projects, are \$11.1 million, matched by \$11.1 million in funding sources. These sources include \$8.3 million in revenue proceeds and \$2.8 million in planned reserve use.

The FY2024-25 operating revenue budget, primarily consisting of sewer service charges, increased by 12.3% (\$0.6 million) compared to FY2023-24. Meanwhile, the operating expenditure budget increased by 19.6% (\$0.9 million). The budget anticipates total operating



revenues of \$5.2 million and total operating expenditures of \$5.7 million, resulting in an expected operating deficit of approximately \$0.5 million.

Non-operating revenues – primarily property taxes, connection fees, and interest income – are budgeted at \$3.1 million, reflecting a 147.8% increase (\$1.8 million) from the prior year. These revenues will support \$5.4 million in capital project expenditures, resulting in a net capital deficit of \$2.3 million.

When combined, the operating and capital deficits result in total reserve usage of approximately \$2.8 million for FY2024-25. As of June 30, 2024, the District reported an unrestricted net position of \$23.1 million, which provides a healthy reserve level relative to the annual operating budget of \$5.7 million.

The following table shows the budget to actual analysis as of February 28, 2025.



**EPASD BOARD MEETING
POLICY AND ACTION 13.1**

	Adopted Budget FY2024-25	Actual As of Feb 28, 2025	Variance	%
Operating Revenues:				
Sewer Service Charges	\$ 5,197,840	\$ 2,855,837	\$ 2,342,003	45.1%
Total Operating Revenues	5,197,840	2,855,837	2,342,003	45.1%
Non-operating Revenues:				
Property taxes	680,000	933,730	(253,730)	-37.3%
Connection Fee	2,000,000	30,944	1,969,056	98.5%
Interest Income	345,675	425,208	(79,533)	-23.0%
Rental Income	36,360	24,240	12,120	33.3%
Other fees	-	22,414	(22,414)	0.0%
Total Non-operating Revenues	3,062,035	1,436,536	1,625,499	53.1%
Total Revenues	\$ 8,259,875	\$ 4,292,373	\$ 3,967,502	48.0%
Operating Expenditures:				
Salaries and Benefits	\$ 781,750	\$ 579,458	\$ 202,292	25.9%
Treatment Contract	2,186,000	1,078,550	1,107,450	50.7%
Temp Contractual Services	890,000	469,485	420,515	47.2%
Engineering Services	180,000	63,755	116,245	64.6%
Legal Services	750,000	148,489	601,511	80.2%
Accounting and related Services	230,000	108,426	121,574	52.9%
Insurance	220,000	206,012	13,988	6.4%
Meeting, Travel, and Training	48,000	10,583	37,417	78.0%
Other Operating Expenditures	455,900	134,419	321,481	70.5%
Total Operating Expenditures	5,741,650	2,799,177	2,942,473	51.2%
Capital Expenditures	5,400,000	1,765,916	3,634,084	67.3%
Total Expenditures	\$ 11,141,650	\$ 4,565,093	\$ 6,576,557	59.0%
Change in Fund Balance	\$ (2,881,775)	\$ (272,720)	\$ (2,609,055)	90.5%
Use of Reserve	2,881,775	272,720	2,609,055	90.5%
Budget Surplus (Deficit)	-	-	-	0.0%
Ending Unrestricted Reserve	\$ 20,226,819	\$ 22,835,874	\$ 2,609,055	13%

At a high level, staff do not recommend a budget amendment at this time, as total expenditures – including capital outlays – are projected to remain within the overall budget authorized for the current fiscal year. Although connection fee revenues are trending below expectations, the shortfall is anticipated to be offset by savings in the capital budget. As of February 28, 2024, approximately \$0.3 million in reserves have been utilized, which remains and is expected within the amount originally appropriated by the end of the current fiscal year.

Future Budget Process and Calendar

The development of the FY 2025–26 budget, including the District’s budget, began in February 2025, starting with the submission of budget requests from the Public Works Department to the Finance Department and City Manager/General Manager. Staff plan to present the proposed budget to the EPASD Special Advisory Committee on May 7, 2025, followed by two joint budget



study sessions with the City Council and EPASD Board on May 13 and May 20, 2025. Final adoption of the budget is scheduled for the Board meeting on June 17, 2025.

Public Notice

The public was provided notice by making the agenda and report available on the City's website and on a bulletin board located at City Hall: 2415 University Avenue, East Palo Alto.

Environmental

The proposed action is not a "project" under California Environmental Quality Act (CEQA) pursuant to CEQA Guideline section 15378(b)(4) because it is a fiscal activity which does not involve any commitment to any specific project which may result in a potentially significant impact on the environment.

Government Code § 84308

Applicability of Levine Act: No, as the proposed action involves no entitlement.

Analysis of Levine Act Compliance: Not applicable.

Attachments:

1. FY 2024-25 Annual Budget Report (published by previous administration)

EAST PALO ALTO SANITARY DISTRICT



APPROVED BUDGET FY 2024-2025

EAST PALO ALTO SANITARY DISTRICT

BUDGET MESSAGE

FISCAL YEAR 2024-2025

FINAL BUDGET

I am delighted to present the East Palo Alto Sanitary District Operating and Capital Budget for the Fiscal Year 2024-2025 for your consideration.

The objective is to have a balanced budget while simultaneously providing qualitative level of service to our customers. This budget will be furthering the advancement of the District's vision, mission, and core value.

BUDGET PRIORITIES

The operating and capital budget has been prepared to address the following priorities of the Board of Directors:

1. Sound utilities with high level of service to the community
2. Maintenance of fiscal responsibilities
3. Provision for yearly capital improvement program to maintain the collection system
4. Provision for capital improvement program with our strategic partners
5. Provision for stable work force
6. Implementation of cyber security initiatives to protect our information system
7. Effective staff training
8. Minimization of cost of services
9. Compliance with Federal and State Laws and Regulations
10. Sound knowledge management initiatives
11. Effective management control system
12. Implementation of social marketing initiatives
13. Provision of funding to upgrade the Collection System aimed at meeting the needs of the City of East Palo Alto 2035 General Plan

BUDGET OVERVIEW

The Fiscal Year 2024/2025 budget is based on a total projected revenues in the amount of \$8,259,875 and a total budgeted expenses in the amount of \$15,741,650 this includes \$5,741,650 in operating expenses and \$10,000,000 in capital expenses.

REVENUE ESTIMATES



EAST PALO ALTO SANITARY DISTRICT

BOARD OF DIRECTORS

Dennis Scherzer, President
Martha Stryker, Vice President
Glenda Savage, Secretary
Bethzabe Yañez, Director
Ofelia Bello, Director

901 Weeks Street
East Palo Alto, CA 94303
Phone: (650) 325-9021
Fax: (650) 325-5173
www.epasd.com

Akin Okupe, M.B.A, P.E., General Manager

July 30, 2024

Nature of Item

The Fiscal Year 2024/2025 budget follows closely the previous year’s budget. The objective of the budget is to fund Capital Improvement Projects needed for both existing and future customers.

Background

The City’s 2035 General Plan adopted by the City of East Palo Alto will require an upgrade to the existing collection system in the amount of approximately \$45 million. The connection fee has been revised considering the need for system expansion. In Fiscal Year 2024/2025, a transfer of \$2,567,645 from the general fund to Construction Replacement fund will be needed.

Discussion

The District has completed the following projects in Fiscal Year 2024/2025:

2024:

1. Light Tree Sewer Replacement Project, Design and Construction – 100% complete
2. Sanitary Sewer Replacement Project, Design – 100% complete
3. Development of a revised connection fee – 100% complete

The District intends to complete the following construction project in Fiscal Year 2024/2025.

2025:

1. Sanitary Sewer Replacement Project: This includes paralleling of the existing trunk line to the waste water treatment plant 2024/2025

Staff Recommendation

Staff recommends that the Board approve the Fiscal Year 2024/2025 Budget with a total budgeted expenditure of \$15,741,680 and total budgeted revenue of \$8,259,875.

**EAST PALO ALTO SANITARY DISTRICT
APPROVED BUDGET SUMMARY FOR ALL FUNDS FY 2024-2025**

Expenditure For The Fiscal Year 2024-2025

	2545	2541	2546	2547	2548	2549	EPASD
	General	Connection	Construction	Lateral	Treatment	Rate	All Funds
	Fund	Fee Fund	Replacement	Replacement	Plant	Stabilization	
			Fund	Fund	Fund	Fund	Total
Salaries and Employees Benefits	781,750	-	-	-	-	-	781,750
Operations and Maintenance	2,748,900	-	-	-	-	-	2,748,900
Treatment Plant (RWQCP)	1,960,000	-	-	-	-	-	1,960,000
Total Operating Expenditures	5,490,650	-	-	-	-	-	5,490,650
Capital and Debts	251,000	-	-	-	-	-	251,000
Construction	-	-	5,400,000	-	-	-	5,400,000
Total Budgeted Expenditures	5,741,650	-	5,400,000	-	-	-	11,141,650

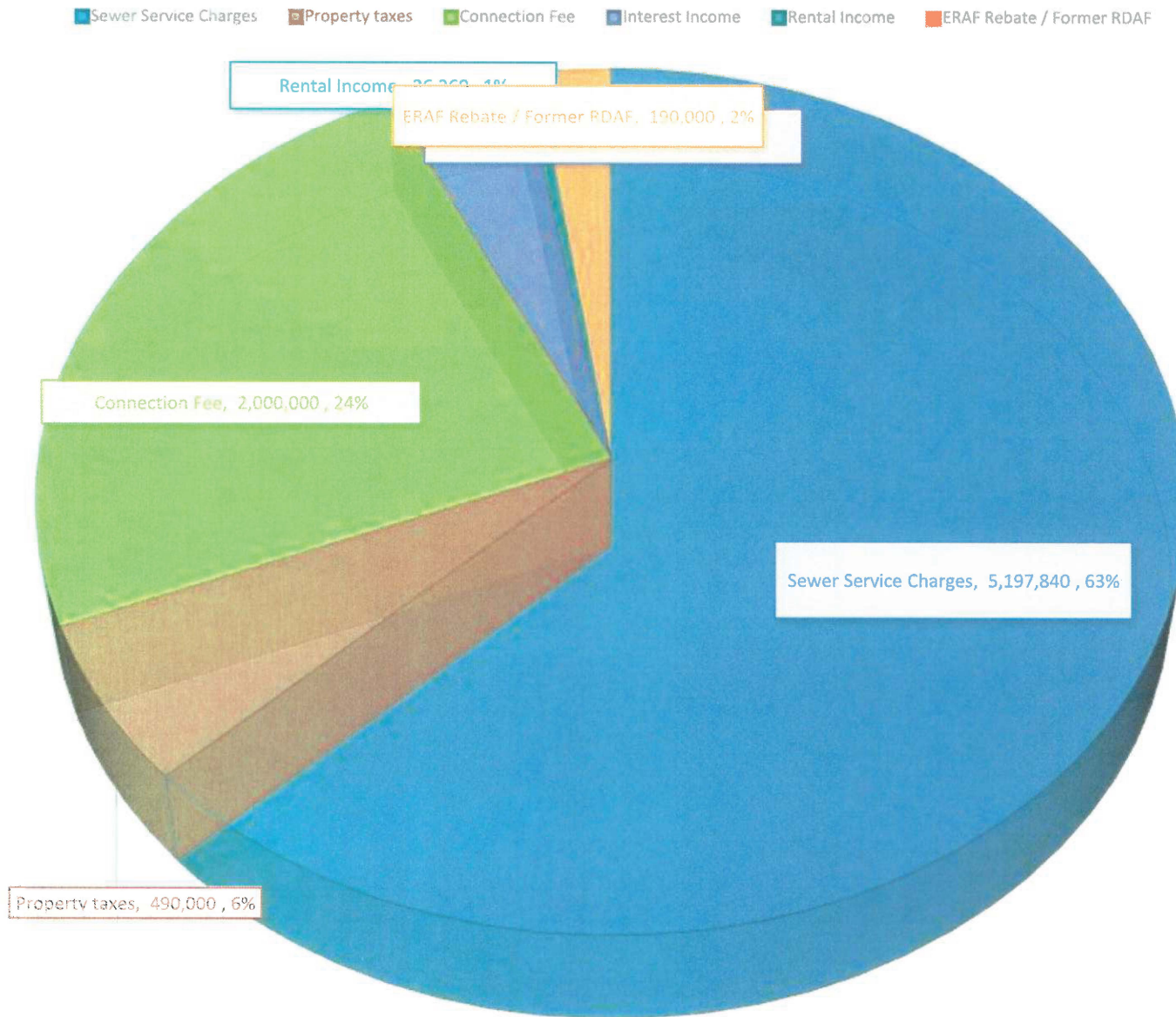
Revenue For The Fiscal Year 2024-2025 Based on \$660 Per Unit

	2545	2541	2546	2547	2548	2549	EPASD
	General	Connection	Construction	Lateral	Treatment	Rate	All Funds
	Fund	Fee Fund	Replacement	Replacement	Plant	Stabilization	
			Fund	Fund	Fund	Fund	Total
Beginning Fund Balance	1,330,082	1,188,477	7,336,355	116,653	1,691,663	68,229	11,731,459
Sewer Service Charges	5,197,840	-	-	-	-	-	5,197,840
Property taxes	490,000	-	-	-	-	-	490,000
Connection Fee	-	2,000,000	-	-	-	-	2,000,000
Interest Income	209,000	15,500	96,000	1,560	22,700	915	345,675
Rental Income	36,360	-	-	-	-	-	36,360
Educational Revenue Augmentation Fund ERA	190,000	-	-	-	-	-	190,000
Total Projected Revenue	6,123,200	2,015,500	96,000	1,560	22,700	915	8,259,875
Interfund Transfers	-	-	-	-	-	-	-
Total Available Revenues	\$ 7,453,282	\$ 3,203,977	\$ 7,432,355	\$ 118,213	\$ 1,714,363	\$ 69,144	\$ 19,991,334
Ending Fund Balance	\$ 1,711,632	\$ 3,203,977	\$ 2,032,355	\$ 118,213	\$ 1,714,363	\$ 69,144	\$ 8,849,684

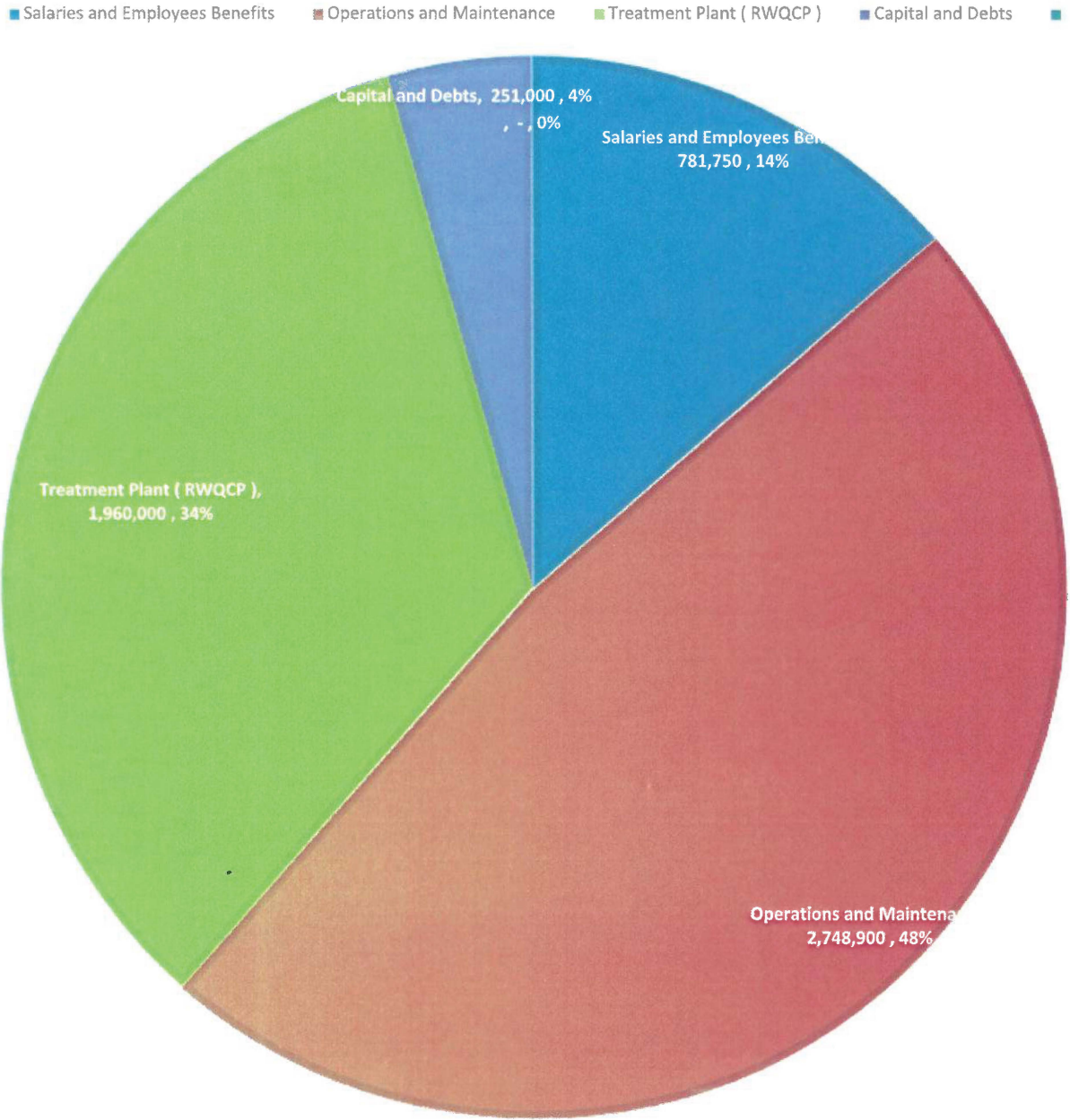
EAST PALO ALTO SANITARY DISTRICT
Approved Budget - General Fund #02545
Fiscal Year 2024-2025

EXPENDITURES		Actual	Approved	Approved
		Expenses	Budget	Budget
CODE	SALARIES & EMPLOYEE BENEFITS	2022-2023	2023-2024	2024-2025
4111	Wages	340,217	350,000	362,250
4192	Directors Fees	67,711	69,000	69,500
4631	Employees Benefits	203,351	350,000	350,000
SUB TOTAL		611,278	769,000	781,750
OPERATION & MAINTENANCE				
5188	Other Operating Supplies	1,220	2,000	2,000
5193	Office Expenses	76,889	68,000	82,000
5314	Election Expenses	30,720	-	50,000
5332	Membership	18,702	30,000	30,000
5341	Publication & Legal Notice	23,487	25,000	28,000
5416	Gas, Fuel	8,894	12,000	15,000
5459	Repair & Maintenance	51,297	65,000	68,000
5521	Rents & Leases	6,339	7,000	8,000
5638	Utilities	60,832	58,000	69,000
5721	Travel & Meeting	28,492	30,000	30,000
5731	Training & Education	22,684	18,000	18,000
5817	Contract Sewage Services	1,789,097	1,850,000	1,960,000
5858	Contractual Services	732,032	780,000	890,000
5861	Engineering Services	152,727	180,000	180,000
5872	Prof & Spec Services	144,687	165,000	170,000
5876	Professional Services	28,469	60,000	60,000
5958	Research & Monitoring	-	400	400
5966	Operating Supplies	6,262	6,000	8,500
5969	Special Expenses	51,772	55,000	70,000
6731	Insurance	144,992	205,000	220,000
6732	Legal Services	682,160	150,000	750,000
SUB TOTAL		4,061,752	3,766,400	4,708,900
CAPITAL & DEBTS				
7211	Planned Debt Services	-	150,000	150,000
7311	Equipment Expenses	-	25,000	25,000
6322	Repay Treatment Plant	75,194	90,000	76,000
SUB TOTAL		75,194	265,000	251,000
OTHER CHARGES				
8810	Contingency	-	-	-
SUB TOTAL		-	-	-
TRANSFERS TO OTHER FUNDS				
7541	Construction/Replacement	-	13,000,000	-
7541	Treatment Plant Reserve	-	-	-
7541	Rate Stabilization	-	-	-
SUB TOTAL		-	13,000,000	-
GRAND TOTAL		\$ 4,748,224	\$ 17,800,400	\$ 5,741,650

2024-2025 APPROVED REVENUES



2024-2025 APPROVED EXPENSES



**EAST PALO ALTO SANITARY DISTRICT
APPROVED BUDGET - GENERAL FUND #02545
FISCAL YEAR 2024-2025**

SALARIES AND WAGES 4111

This account includes salaries, wages and other considerations for District employees chargeable to operations. This amount includes annual merit increase, overtime and differentials. Based on 40 standard hours work week for the entire fiscal year.

Actual Expenses 2022-2023	Approved Budget 2023-2024	Approved Budget 2024-2025
\$ 340,217	\$ 350,000	\$ 362,250

DIRECTORS FEES 4192

This account includes fees paid to directors for regular and special Board meetings and committee meetings and conference attendance

Actual Expenses 2022-2023	Approved Budget 2023-2024	Approved Budget 2024-2025
\$ 67,711	\$ 69,000	\$ 69,500

**EAST PALO ALTO SANITARY DISTRICT
 APPROVED BUDGET - GENERAL FUND #02545
 FISCAL YEAR 2024-2025**

EMPLOYEE BENEFITS 4631

This account includes:

- Employee Retirement Systems*
- Health, Dental, Life, and Accident Insurance*
- Unemployment Insurance*
- State Disability Insurance*
- Worker's Compensation Premiums*
- Long Term Disability*
- Health Club Membership*

Actual Expenses 2022-2023	Approved Budget 2023-2024	Approved Budget 2024-2025
\$ 203,351	\$ 350,000	\$ 350,000

OTHER OPERATING SUPPLIES 5188

This account includes all operating expenses not includible in other expense categories

Actual Expenses 2022-2023	Approved Budget 2023-2024	Approved Budget 2024-2025
\$ 1,220	\$ 2,000	\$ 2,000

**EAST PALO ALTO SANITARY DISTRICT
APPROVED BUDGET - GENERAL FUND #02545
FISCAL YEAR 2024-2025**

OFFICE EXPENSE 5193

This account is used to record the purchase of various items used in day-to-day operations. The following are typical items reflected in this account:

- Accounting & Reporting Forms*
- Books & Manuals*
- Envelopes, Postage*
- P.O. Box Rental*
- Stationary & Office Supplies*
- Small Stapling, Dating, & Numbering Machines*

Actual Expenses 2022-2023	Approved Budget 2023-2024	Approved Budget 2024-2025
\$ 76,889	\$ 68,000	\$ 82,000

ELECTION EXPENSE 5314

This account includes reimbursement to San Mateo County for the costs of election notices, printing of ballots and contractual election services rent of polling places and ballot boxes, pay of election officials and other election expenses.

Actual Expenses 2022-2023	Approved Budget 2023-2024	Approved Budget 2024-2025
\$ 30,720	\$ -	\$ 50,000

**EAST PALO ALTO SANITARY DISTRICT
APPROVED BUDGET - GENERAL FUND #02545
FISCAL YEAR 2024-2025**

MEMBERSHIP 5332

This account includes the cost of memberships in societies, associations of officials, trade associations, and other organizations.

Actual Expenses 2022-2023	Approved Budget 2023-2024	Approved Budget 2024-2025
\$ 18,702	\$ 30,000	\$ 30,000

PUBLICATION AND LEGAL NOTICE 5341

This account includes the cost of the publication of legally required notices and reports. This includes:

- Advertisements*
- Bids for Purchases*
- Bond Sales Notices*
- Budgets*
- Delinquent Tax List*
- Employment Opportunities*
- Financial Reports*
- Newsletters*
- Ordinances*
- Proceedings of Governmental Body*
- Public Hearing Notices*
- Legal Notices*
- Board Meetings Broadcasting*

Actual Expenses 2021-2022	Approved Budget 2023-2024	Approved Budget 2024-2025
\$ 23,487	\$ 25,000	\$ 28,000

**EAST PALO ALTO SANITARY DISTRICT
APPROVED BUDGET - GENERAL FUND #02545
FISCAL YEAR 2024-2025**

GASOLINE, OIL, AND FUEL 5416

This account includes the cost of fuel and oil used in the operations of motor vehicles and equipment. This would include the cost of gasoline used in the production of power to operate pumps and other equipment.

Actual Expenses 2021-2022	Approved Budget 2023-2024	Approved Budget 2024-2025
\$ 8,894	\$ 12,000	\$ 15,000

REPAIRS AND MAINTENANCE 5459

These expenditures represent the cost of repairing and maintaining the District's equipment & pipelines, including vehicles, mobile equipment, and office equipment.

Actual Expenses 2021-2022	Approved Budget 2023-2024	Approved Budget 2024-2025
\$ 51,297	\$ 65,000	\$ 68,000

**EAST PALO ALTO SANITARY DISTRICT
 APPROVED BUDGET - GENERAL FUND #02545
 FISCAL YEAR 2024-2025**

RENTS AND LEASES 5521

This account includes rents and leases paid for the use of the security systems, postage meter, improvements and equipment. This includes amounts paid under operating lease agreements.

Actual Expenses 2021-2022	Approved Budget 2023-2024	Approved Budget 2024-2025
\$ 6,339	\$ 7,000	\$ 8,000

UTILITIES 5638

This account includes the cost of:

- Electricity*
- Heating & Cooling Supplies for Buildings*
- Natural Gas*
- Telephone*
- Water*
- Solid Waste Disposal*

Actual Expenses 2021-2022	Approved Budget 2023-2024	Approved Budget 2024-2025
\$ 60,832	\$ 58,000	\$ 69,000

**EAST PALO ALTO SANITARY DISTRICT
APPROVED BUDGET - GENERAL FUND #02545
FISCAL YEAR 2024-2025**

TRAVEL AND MEETING 5721

This account includes the cost of:

- Board of Directors Travel*
- Gasoline Used in Travel*
- Leased or Rented Vehicles*
- Reimbursement for Private Vehicle Use*
- Reimbursement for Meals, Lodging, and Conference Expenses*
- Bridge Tolls, Study Materials, Train or Bus Fare, Airline Tickets, and*
- Any Other Travel Expense*

Actual Expenses 2021-2022	Approved Budget 2023-2024	Approved Budget 2024-2025
\$ 28,492	\$ 30,000	\$ 30,000

TRAINING AND EDUCATION 5731

This account includes the cost of continuing professional education, as well as employee training, development, seminars, conferences, and staff reorganization for cross training. These expenditures are intended to improve the capability, productivity, and efficiency of the District's staff.

Actual Expenses 2021-2022	Approved Budget 2023-2024	Approved Budget 2024-2025
\$ 22,684	\$ 18,000	\$ 18,000

**EAST PALO ALTO SANITARY DISTRICT
APPROVED BUDGET - GENERAL FUND #02545
FISCAL YEAR 2024-2025**

CONTRACT SEWAGE 5817

This account represents reimbursement for sewage treatment charges to the Regional Water Quality Control (RWQCP) including the administrative general components of the sewage treatment contract.

Actual Expenses 2021-2022	Approved Budget 2023-2024	Approved Budget 2024-2025
\$ 1,789,097	\$ 1,850,000	\$ 1,960,000

CONTRACTUAL SERVICES 5858

This account includes the cost of outside services of a professional nature and not chargeable to another category.

Actual Expenses 2021-2022	Approved Budget 2023-2024	Approved Budget 2024-2025
\$ 732,032	\$ 780,000	\$ 890,000

**EAST PALO ALTO SANITARY DISTRICT
APPROVED BUDGET - GENERAL FUND #02545
FISCAL YEAR 2024-2025**

ENGINEERING AND MANAGEMENT SERVICES 5861

This account includes professional engineering services provided by outside engineering consultants.

Actual Expenses 2021-2022	Approved Budget 2023-2024	Approved Budget 2024-2025
\$ 152,727	\$ 180,000	\$ 180,000

PROFESSIONAL AND ACCOUNTING SERVICES 5872

This account includes professional accounting and audit services. The District currently contracts with two local CPA firms for professional accounting and auditing services.

Actual Expenses 2021-2022	Approved Budget 2023-2024	Approved Budget 2024-2025
\$ 144,687	\$ 165,000	\$ 170,000

**EAST PALO ALTO SANITARY DISTRICT
APPROVED BUDGET - GENERAL FUND #02545
FISCAL YEAR 2024-2025**

PROFESSIONAL SERVICES 5876

This account includes the cost of professional services not reflected in other areas. This includes:

- Actuarial Studies*
- Appraisals*
- Board Commissioned Studies*
- Fiscal Agent's Fees*
- Management Salary Surveys*
- Human Resources Consultant*
- Board Workshops*
- Special Projects*

Actual Expenses 2021-2022	Approved Budget 2023-2024	Approved Budget 2024-2025
\$ 28,469	\$ 60,000	\$ 60,000

RESEARCH AND MONITORING 5958

*This account includes the cost of laboratory and field test analysis.
It also includes monitoring of industrial discharge,
the implementation of source control monitoring.*

Actual Expenses 2021-2022	Approved Budget 2023-2024	Approved Budget 2024-2025
\$ -	\$ 400	\$ 400

**EAST PALO ALTO SANITARY DISTRICT
APPROVED BUDGET - GENERAL FUND #02545
FISCAL YEAR 2024-2025**

OPERATING EXPENSE 5966

This account represents all those supplies which are used for District Operations but are not Capital Items (rather, they are "expendable"). These include pipe, couplings, chemicals, safety materials, tires, etc..

Actual Expenses 2021-2022	Approved Budget 2023-2024	Approved Budget 2024-2025
\$ 6,262	\$ 6,000	\$ 8,500

DISTRICT SPECIAL EXPENSE 5969

This account includes all operating expenses not included elsewhere. The district charges various special projects and unanticipated expenditures, and refunds for overpayment of sewer service charges, replenish imprest account for payment of travel expenses and refreshments.

Actual Expenses 2021-2022	Approved Budget 2023-2024	Approved Budget 2024-2025
\$ 51,772	\$ 55,000	\$ 70,000

**EAST PALO ALTO SANITARY DISTRICT
APPROVED BUDGET - GENERAL FUND #02545
FISCAL YEAR 2024-2025**

INSURANCE 6731

This account includes the cost of insurance premiums for fire, burglary, public liability, collision, property damage, individual and blanket bonds, money and securities, boiler and forgery. Insurance premium dividends or refunds shall be credited to this account.

Actual Expenses 2021-2022	Approved Budget 2023-2024	Approved Budget 2024-2025
\$ 144,992	\$ 205,000	\$ 220,000

LEGAL SERVICES 6732

This account includes the cost of legal services by outside law firm for defending cases in the court of law and providing advice in the legal matters . The district currently contracts with law firm to work as district legal counsel.

Actual Expenses 2021-2022	Approved Budget 2023-2024	Approved Budget 2024-2025
\$ 682,160	\$ 150,000	\$ 750,000

**EAST PALO ALTO SANITARY DISTRICT
 APPROVED BUDGET - GENERAL FUND #02545
 FISCAL YEAR 2024-2025**

PLANNED DEBT SERVICES 7211

This account includes new debts.

Actual Expenses 2021-2022	Approved Budget 2023-2024	Approved Budget 2024-2025
\$ -	\$ 150,000	\$ 150,000

EQUIPMENT 7311

*This account includes spending for capital items, such as machinery,
 long term use equipment, vehicle for the district's daily operation.*

Actual Expenses 2021-2022	Approved Budget 2023-2024	Approved Budget 2024-2025
\$ -	\$ 25,000	\$ 25,000

**EAST PALO ALTO SANITARY DISTRICT
 APPROVED BUDGET - GENERAL FUND #02545
 FISCAL YEAR 2024-2025**

REPAY TREATMENT PLANT 6322

This account is used to charge the fixed asset component of the contract with the Regional Water Quality Control Plant.

Actual Expenses 2021-2022	Approved Budget 2023-2024	Approved Budget 2024-2025
\$ 75,194	\$ 90,000	\$ 76,000

CONTINGENCIES 8810

This account represents the amount estimated for unforeseen purposes.

Actual Expenses 2021-2022	Approved Budget 2023-2024	Approved Budget 2024-2025
\$ -	\$ -	\$ -

**EAST PALO ALTO SANITARY DISTRICT
APPROVED BUDGET - GENERAL FUND #02545
FISCAL YEAR 2024-2025**

TRANSFER TO CONSTRUCTION AND REPLACEMENT 7541.46

This account includes the transfers made to funds maintained for the construction and replacement of major capital projects.

Actual Expenses 2021-2022	Approved Budget 2023-2024	Approved Budget 2024-2025
\$ -	\$ 13,000,000	\$ -

TRANSFER TO TREATMENT PLANT RESERVE FUND 7541.48

This account includes the transfers made to funds maintained for Treatment Plant Reserve.

Actual Expenses 2021-2022	Approved Budget 2023-2024	Approved Budget 2024-2025
\$ -	\$ -	\$ -

TRANSFER TO RATE STABILIZATION FUND 7541.49

This account includes the transfers made to funds for the purpose of maintaining the current wastewater rates.

Actual Expenses 2021-2022	Approved Budget 2023-2024	Approved Budget 2024-2025
\$ -	\$ -	\$ -

**EAST PALO ALTO SANITARY DISTRICT
SAN MATEO COUNTY, CALIFORNIA**

**SEWER SERVICE CHARGES
FISCAL YEAR 2024-2025**

July 2024

**901 Weeks Street
East Palo Alto, CA 94303**

EAST PALO ALTO SANITARY DISTRICT
REVENUE PROGRAM FOR SEWER SERVICE CHARGES
FISCAL YEAR 2024-2025

The fees below are sewer service charges based on the number of residential units and water usage recorded for Fiscal Year 2024-2025, with the rate of \$660 per Equivalent Residential Unit.

2024-2025 RATES

RESIDENTIAL: For each dwelling or living unit, a charge of six hundred and sixty dollars (\$660) per year.

COMMERCIAL AND INDUSTRIAL: For each commercial or industrial user, a charge in accordance with the annual use of water by each establishment times the applicable rate as follows:

10.2042	per hundred cubic feet for Restaurants.
5.5431	per hundred cubic feet for Educational Facilities.
5.5431	per hundred cubic feet for Offices and Churches.
6.3528	per hundreds cubic feet for Motel/Hotels.
5.8826	per hundreds cubic feet for Commercial.
6.3528	per hundreds cubic feet for Medical.
6.3528	per hundreds cubic feet for Industrial.
5.8826	per hundreds cubic feet for Recreational.

No individual commercial or industrial establishment should be charges less than six hundred and sixty dollars (\$660) per year.

Annual water consumption for each user or establishment was a period of 12 months in 2024-2025.

EAST PALO ALTO SANITARY DISTRICT

FISCAL YEAR 2024-2025

CLASS	UNITS	FLOW	CHARGE (\$)
Single-Residential	3,396	--	2,241,360.00
Multiple-Residential	352	--	2,329,800.00
Motel	2	10,544	66,983.92
School	11	10,183	60,200.28
Church	30	4,463	34,617.82
Office	12	3,191	21,748.18
Commercial	125	18,807	175,392.58
Medical	2	611	4,541.56
Restaurant	12	6,676	69,725.66
Industrial	20	3,367	29,523.80
Recreational	4	14,294	84,085.88
Retirement	4	309	4,620.00
Manual Billed	40	7,851	--
Mobile Home	114	--	75,240.00
Totals	4,270	80,296	5,197,839.68

Resolution No. 1366

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE EAST PALO ALTO SANITARY DISTRICT APPROVING THE FISCAL YEAR 2024-2025 ANNUAL BUDGET; AND ADOPTING THE REPORT FOR THE COLLECTION OF THE FISCAL YEAR 2024-2025 SEWER SERVICE CHARGES AND DIRECTING THE GENERAL MANAGER OF THE DISTRICT TO FILE SAID REPORT WITH THE SAN MATEO COUNTY AUDITOR AND REQUEST THE AUDITOR PLACE THE FISCAL YEAR 2024-2025 SEWER SERVICE CHARGES ON THE TAX ROLL.

EAST PALO ALTO SANITARY DISTRICT

RESOLUTION NO. 1366

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE EAST PALO ALTO SANITARY DISTRICT APPROVING THE FISCAL YEAR 2024-2025 ANNUAL BUDGET; AND ADOPTING THE REPORT FOR THE COLLECTION OF THE FISCAL YEAR 2024-2025 SEWER SERVICE CHARGES AND DIRECTING THE GENERAL MANAGER OF THE DISTRICT TO FILE SAID REPORT WITH THE SAN MATEO COUNTY AUDITOR AND REQUEST THE AUDITOR PLACE THE FISCAL YEAR 2024-2025 SEWER SERVICE CHARGES ON THE TAX ROLL

WHEREAS, there has been presented to the East Palo Alto Sanitary District (“District”) Board of Directors a Proposed Fiscal Year 2024-2025 Annual Budget Document (the “Fiscal Year 2024-2025 Budget”), a copy of which is attached as Exhibit A; and

WHEREAS, the proposed Fiscal Year 2024-2025 Budget has been reviewed and considered by the Board of Directors, and it has been determined to be in the best interest of the District to adopt the Fiscal Year 2024-2025 Budget for the sound financial operation of the District; and

WHEREAS, the proposed Fiscal Year 2024-2025 Budget anticipates the imposition and collection of sewer service charges (the “Charges”) to fund the District’s operations and maintenance contained in the proposed Fiscal Year 2024-2025 Budget; and

WHEREAS, pursuant to California Health and Safety Code section 5471 *et seq.*, the Board of Directors caused the preparation of a report (the “Report”), a copy of which is attached hereto as Exhibit B and by this reference incorporated herein, to be filed with the Clerk of the District, which Report contains a description of each parcel of real property receiving such sewer services within the District and the amount of the Charges for each parcel for fiscal year 2024-2025, computed in conformity with the Charges prescribed by District ordinance; and

WHEREAS, the Clerk of the District has caused a notice of the filing of the Report to be published and has given notice of the time and place of the public hearing to consider such Report, all in accordance with California Health and Safety Code Section 5473.1; and

WHEREAS, at the time stated in the notice, the Board of Directors conducted the public hearing and heard and considered all objections and protests to the Report; and

WHEREAS, the Board of Directors hereby determines that the Charges authorized for Fiscal Year 2024-2025 and as set forth in the Report are true and correct; and

WHEREAS, the Board of Directors of the District has determined for Fiscal Year 2024-2025 to collect the Charges for Fiscal Year 2024-2025 in accordance with the amounts set forth in the Report on the identified parcels set forth therein and located within the District; and

WHEREAS, the Board of Directors has determined to adopt the Report and collect the Charges on the tax roll at the rates and in the amounts set forth in the Report which Charges shall constitute a lien against the parcel or parcels of land described in the Report in accordance with California Health and Safety Code sections 5473.5 *et seq.*; and

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE EAST PALO ALTO SANITARY DISTRICT AS FOLLOWS:

Section 1. The Board of Directors hereby finds and determines that the Recitals are true and correct and are incorporated herein.


Section 2. The Board of Directors hereby approves the Fiscal Year 2024-2025 Budget for the District.

Section 3. The Board of Directors hereby finds and determines that for Fiscal Year 2024-2025 the Charges shall be imposed on each parcel or parcels of land at the rate and in the amounts sets forth in the Report and such Charges shall constitute a lien against each such parcel or parcels.

Section 4. The Board of Directors hereby finds that protests to the Report were not made by the owners of a majority of separate parcels of property described in the Report, therefore the Board of Directors hereby adopts the Report as filed, and further overrules any and all objections to said Report. On or before the 30th day of July, 2024, the General Manager, or his authorized designee, is hereby directed to file a copy of the Report with the San Mateo County Auditor, together with a statement endorsed thereon over his signature that the Report has been adopted by the Board of Directors and the County Auditor shall enter the amounts of the Charges and any delinquencies set forth in the Report against the respective lots or parcels of land as they appear on the current assessment roll. Thereafter, the Charges shall be collected on the tax bills for the taxable parcels in the District identified in the Report along with the ordinary *ad valorem* property taxes to be levied on and collected from the owners of parcels.

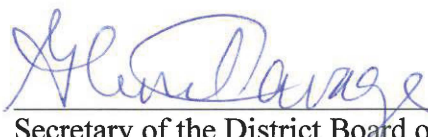
PASSED AND ADOPTED BY the Board of Directors of the East Palo Alto Sanitary District at a meeting of the Board of Directors held on July 30th, 2024, by the following vote:

AYES:	Members: Dennis Scherzer, Glenda Savage , Betsy Yañez , Kelly Fergusson
NOES:	Members:
ABSTENTIONS:	Members:
ABSENT:	Members: Ofelia Bello



President of the District Board of the
East Palo Alto Sanitary District
of San Mateo County, State of California,

ATTEST:



Secretary of the District Board of the
East Palo Alto Sanitary District
of San Mateo County, State of California,
(SEAL)



EAST PALO ALTO CITY COUNCIL STAFF REPORT

DATE: May 6, 2025

TO: Honorable Mayor and Members of the City Council

VIA: Melvin E. Gaines, City Manager

BY: Yajaira Morales, Housing Project Manager
Tim Davis, Director of Consulting Services, HEART of San Mateo County

SUBJECT: Transition from Palo Mobile Estates Loan Program to Preservation Program

Recommendation

Adopt a resolution:

- 1) Rescinding the appropriation of two million fifty thousand dollars (\$2,050,000) toward the PME Loan Program from the Housing In-Lieu Fund (Fund 207);
- 2) Allowing the Extension Agreement to terminate with EPACANDO upon its May 15, 2025, expiration date, for administration of the Palo Mobile Estates Loan Program, and authorizing termination of all related agreements (as needed) to end the PME Loan Program;
- 3) Reassigning Two million fifty thousand dollars (\$2,050,000) from the Housing In-Lieu Fund (Fund 207) to an Affordable Housing Preservation Program; and
- 4) Finding that the proposed is exempt from the California Environmental Quality Act (CEQA) as it is not a “project” pursuant to 15378(b)(4) because it is a fiscal activity which does not involve any commitment to any specific project which may result in a potentially significant impact on the environment

Alignment with City Council Strategic Plan

This recommendation is primarily aligned with:

Priority: Promote Housing, Economic and Workforce Development

Background

The purpose of this staff report is to provide an update on Palo Mobile Estates Mobile Home

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Park Loan Program and request that the City Council reassign the \$2,050,000 appropriated to the Program to an Affordable Housing Preservation Program.

The Palo Mobile Estates Mobile Home Park (“PME”), located at 1855 East Bayshore Road, features 117 mobile homes, most of which are occupied by lower income East Palo Alto residents. In May 2020, the park owners, Palo Mobile Estate Associates, informed the park residents that they would convert the park to the legal/ownership status of Resident Owned Park (similar to a condo conversion), which had been recently approved by the California Department of Real Estate.

Under this new status, residents are no longer protected by the City’s 1988 Rent Stabilization and Eviction for Good Cause Ordinance, however, residents with household incomes at or below 80% AMI have protections under State rent stabilization for mobile home parks.

Prior to park conversion, the park contained 100 spaces occupied by resident-owned mobile homes and 17 spaces occupied by park-owned mobile homes. A feature of the conversion was that, under State law and an earlier lawsuit settlement agreement, each household had a time-limited option to buy the space they were renting from the park owners for a discounted price. Very few households were able to take advantage of this opportunity. Consequently, an estimated 88 spaces are still owned by Palo Mobile Estate Associates as of April 2025.

In the initial exploration of strategies to support local homeownership options for lower-income households at PME, the City considered the feasibility of buying the entire park, including potentially forming a resident cooperative. For various reasons, including the inability to identify a source of adequate funding, the City did not move forward with buying the entire park. However, on July 20, 2021, the City Council approved \$2 million from the Housing In-Lieu Fund (Fund 207) to provide loans supporting approximately 12 current residents in purchasing the lots on which they reside.¹ The Housing In-Lieu Fund is restricted to affordable housing efforts.

This loan program offered zero-interest loans to pay for up to 50% of the value of the lot, for households making up to 80% of Area Median Income (AMI). As a condition of providing public funds for public benefit, the City imposed resale price restrictions for those lots to keep them affordable upon resale to future households. At that time, the City also committed \$50,000 towards the administration of the program and executed a contract with EPACANDO to implement the loan program. EPACANDO’s payment for administration was contingent upon loans being executed. Because no loans have been executed, EPACANDO has not billed the City any administrative fees.

¹July 6, 2021 City Council staff report (Item 9.2):http://eastpaloalto.igmp2.com/Citizens/Detail_Meeting.aspx?ID=1419

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On November 14, 2023², the City Council held a study session to review several loan program options presented by EPACANDO and provided directions to staff based on that discussion. Subsequently, on February 13, 2024, PME residents met with EPACANDO to express concerns about the proposed loan terms. They reported that the 50% loan-to-value requirement was insufficient for households at or below 80% of the Area Median Income (AMI) to afford lot purchases. Residents also raised concerns about restrictive resale conditions and noted challenges such as limited savings, poor credit, and difficulty accessing financing for this type of housing.

In response, on May 7, 2024³, the City Council adopted Resolution 46-2024, increasing the maximum loan amount to 80% of the purchase price and expanding eligibility to households earning up to 120% of AMI. As a result, the City extended its contract with EPACANDO to administer the PME Loan Program through May 14, 2025, with the option of a one-year extension.

Over the past year, EPACANDO staff completed extensive outreach to 100 households in PME including by mail, phone, email, and in-person visits to remind them of the program and convey the program changes. Despite the programmatic changes and the additional outreach, no loans were made. In addition, the right of first refusal period and price that were set in place by the settlement agreement for the existing mobile home residents expired a year after the conversion of the park, increasing residents' costs to purchase a lot.

On March 18, 2025, EPACANDO hand-delivered a letter to the residents of Palo Mobile Estates informing them that the loan program was nearing its expiration. The letter encouraged residents to reach out if they were interested in participating. Additionally, information about Habitat for Humanity's Repair Program, which helps low-income homeowners address critical home repairs to ensure safety and accessibility, was included as an attachment.

This staff report serves as a close out of the Palo Mobile Estates Loan Program and also introduced components of a larger housing preservation program for which staff recommends the City reassign the unused \$2,050,000 from the PME Loan Program.

Analysis

Current Status of Palo Mobile Estates

Prior to the park's conversion to resident-owned condominiums, Palo Mobile Estate Associates owned 17 lots with mobile homes, three of which have now been sold to new individual owners. Additionally, Palo Mobile Estate Associates owned 100 lots with resident-owned mobile homes,

²November 14, 2023 City Council staff report (Item 4.1): <https://d3n9y02raazwpg.cloudfront.net/cityofepa/52d21da0-50f3-11ee-ae13-0050569183fa-3408cd31-ecd7-4429-9d91-65986d552499-1699409887.pdf>

³May 7, 2024 City Council staff report (Item 9.1): <https://d3n9y02raazwpg.cloudfront.net/cityofepa/f9e9ec83-d800-11ee-98bb-0050569183fa-3408cd31-ecd7-4429-9d91-65986d552499-1715270920.pdf>

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two of which have now been sold to the resident mobile homeowners. Currently, an estimated 88 lots are owned by Palo Mobile Estate Associates, each of which would cost a resident approximately \$300,000 for a single-wide (smaller) lot and \$325,000 for a double-wide (larger) lot.

Residents who are below 80% AMI (“lower income” pursuant to California Health & Safety Section 50079.5) remain protected by state rent stabilization laws under AB 1863 (1991). These residents have less incentive to purchase their lots, as their rents have remained affordable and lower than the cost of taking on a loan. However, residents above 80% AMI may face more volatile rent increases, as the park owners have the ability to raise rents to market rate under AB 1863. Additionally, statewide rent stabilization under the Tenant Protection Act of 2019 (AB 1482) does not apply to mobile home tenancies or park-owned units held out for rent.

There have been no updates regarding loan disbursements, as no loans have been issued to date. The City had a contract with EPACANDO for up to \$50,000, contingent upon the organization issuing at least one loan. Since EPACANDO did not disburse any loans, there will be no payout under that agreement set to expire on May 14, 2025. As a result, the full loan program amount of \$2,050,000 remains available.

The City Council provided staff authorization to extend the PME Loan Program for an additional year via Resolution 46-2024. Given the lack of interest in the program, staff does not intend to extend the program. Instead, staff recommends that the City Council reassign the \$2,050,000 originally allocated from the Housing In-Lieu Fund for the PME Loan Program an Affordable Housing Preservation Program.

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Establishing an Affordable Housing Preservation Program

An Affordable Housing Preservation Program is designed to prevent the loss of affordable housing stock by providing financial assistance to qualified organizations—such as affordable housing developers, community land trusts, and mission-driven nonprofits. These organizations can use assistance to acquire and preserve both currently unsubsidized housing that serves low-income residents and subsidized housing at risk of losing affordability restrictions.

The program would offer flexible, accessible subsidies through a streamlined, over-the-counter process, allowing applicants to move quickly in competitive markets. Preservation strategies may include:

- Converting market-rate housing to income-restricted housing, and
- Extending expiring affordability restrictions on existing subsidized housing.

This preservation-based approach will help the City reduce displacement and retain affordable housing opportunities in East Palo Alto, especially for low-income and vulnerable populations.

Policy Guidance Supporting an Affordable Housing Preservation Program

The recommendation to establish an Affordable Housing Preservation Program is rooted in two existing City policy documents:

1. The 2024-2028 Affordable Housing Strategy (adopted February 6, 2024⁴), which prioritizes affordable housing preservation as a core objective.
2. The 2023-2031 Housing Element (adopted March 19, 2024⁵; certified April 29, 2024), which identifies preservation as a critical strategy to meet the City's Regional Housing Needs Allocation (RHNA) and maintain affordability.

The goals set out in the 2024-2028 Affordable Housing Strategy support and implement parallel policies and programs to those in the 2023-2031 Housing Element. Below is an overview of key programs and their expected impact with goals and costs over five years:

⁴ February 6, 2024 City Council Meeting (Item 9.4): <https://d3n9y02raazwpg.cloudfront.net/cityofepa/816f1e6a-9eb7-11ee-a93d-0050569183fa-39972565-ea93-428b-b9ca-2046ed62e07d-1706747421.pdf>

⁵ March 19, 2024 City Council Meeting (Item 8.1): <https://d3n9y02raazwpg.cloudfront.net/cityofepa/16abdc1d-c609-11ee-8fe8-0050569183fa-3408cd31-ecd7-4429-9d91-65986d552499-1710432004.pdf>



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Housing Programs and Sources (Affordable Housing Strategy)				
Program	Housing Element Policy/Program	5 Year Funding Amount	Expected Outcomes	Other Funding Sources
Housing Preservation	<ul style="list-style-type: none"> • Policy 2.3: Support tenant or community purchase of properties. • Policy 4.3: Develop a preservation strategy • Policy 4.6: Create and fund a City housing rehab program for preservation 	\$2,157,000	Assist purchase and income restriction of 2 single family homes and 1 multi-family home	Housing In-Lieu Fund; Transient Occupancy Taxes

In further alignment with these policies, the City Council directed staff at the March 21, 2023 meeting, to pursue external funding and to continue advancing preservation work in anticipation of launching a formal program.

City Efforts to Date

The City has already laid substantial groundwork to implement the program:

- In early 2024, the City secured a grant from the County of San Mateo's Equity Innovation Fund (EIF) to support development of program guidelines and a Notice of Funding Availability (NOFA).
- On April 23, 2024, the City issued an RFP and subsequently entered into a contract with Anjanette Scott, LLC on May 21, 2024 to develop the program framework.
- Through summer and fall 2024, the consultant conducted research on similar programs and drafted the Preservation Program Guidelines and NOFA.
- The City hosted two key engagement events:
 - December 12, 2024: A stakeholder forum with 11 housing organizations (in partnership with HEART).
 - April 9, 2025: A community meeting with more than 50 residents (in partnership with the Partnership for the Bay's Future Fellow).

The EIF grant concludes in June 2025. If the City launches the program and releases the NOFA by then, it will unlock \$34,000 in EIF seed funding, bringing the total available program funding

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to \$2,084,000.

Why Reassign the \$2,050,000 from the PME Loan Program to Affordable Housing Preservation?

Reallocating \$2,050,000 from the PME Loan Program will enable the City to:

- Transition from planning to implementation in a timely manner.
- Leverage external funding, including EIF seed funds and new regional opportunities such as the Bay Area Housing Finance Authority's (BAHFA) Housing Preservation Loan Pilot, which began accepting applications on April 10, 2025.
- Provide critical acquisition and preservation funding to prevent the displacement of low-income tenants.
- Advance strategic goals outlined in both the Housing Element and the Affordable Housing Strategy.

This reallocation would also maximize the impact of City resources by leveraging external investments and creating a scalable, sustainable program structure.

Alternative Uses of the \$2,050,000

At the April 22, 2025 City Council Strategic Priorities Study Session, the City Council also identified other high-priority housing initiatives that could potentially benefit from housing in-lieu funds, including:

- a) Launching a Home Repair Program
- b) Launching a Financial Empowerment and Foreclosure Prevention Program
- c) Implementing a First-Time Homebuyer Assistance Program
- d) Launching a Foreclosure Prevention Fund Program
- e) Reviewing and Potentially Updating the Inclusionary Housing Ordinance

While staff recommends the Preservation Program as a strong fit for the use of housing in-lieu funds, the Council could choose to allocate all or part of the \$2,050,000 to other eligible priorities, particularly options a, c, and d, which focus on improving housing stability and affordability.

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Next Steps

If the City Council approves the reallocation of funds, staff will:

- Finalize and publish the program Guidelines and NOFA,
- Incorporate community and stakeholder feedback into the evaluation criteria,
- Pursue additional external funding opportunities, and
- Launch the Affordable Housing Preservation Program by the end of 2025.

This action would solidify East Palo Alto's leadership in equitable housing solutions and affirm the City's commitment to protecting vulnerable households from displacement.

Fiscal Impact

Approval of this recommendation would result in the rescission of \$2,050,000 previously appropriated to the PME Loan Program from the Housing In-Lieu Fund (Fund 207) and the reallocation of the same amount to the Affordable Housing Preservation Program. If released before June 2025, the NOFA would trigger an additional \$34,000 in EIF seed funding.

Public Notice

The public was provided notice by making the agenda and report available on the City's website and on a bulletin board located at City Hall: 2415 University Avenue, East Palo Alto.

Environmental

The action being considered by the City Council is exempt from the California Environmental Quality Act (CEQA) as it is not a "project" pursuant to 15378(b)(4) because it is a fiscal activity which does not involve any commitment to any specific project which may result in a potentially significant impact on the environment.

Government Code § 84308

Applicability of Levine Act: No, as the proposed does not involve an entitlement.

Analysis of Levine Act Compliance: Not applicable.

Attachments

1. Resolution



RESOLUTION NO. _____

**A RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF EAST PALO ALTO**

RESCINDING THE APPROPRIATION OF TWO MILLION FIFTY THOUSAND DOLLARS (\$2,050,000) TOWARD THE PALO MOBILE ESTATES LOAN PROGRAM FROM THE HOUSING IN-LIEU FUND (FUND 207); ALLOWING THE EXTENSION AGREEMENT TO TERMINATE WITH EPACANDO UPON ITS MAY 15, 2025, EXPIRATION DATE, FOR ADMINISTRATION OF THE PALO MOBILE ESTATES LOAN PROGRAM, AND AUTHORIZING TERMINATION OF ALL RELATED AGREEMENTS (AS NEEDED) TO END THE PME LOAN PROGRAM; REASSIGNING TWO MILLION FIFTY THOUSAND DOLLARS (\$2,050,000) FROM THE HOUSING IN-LIEU FUND (FUND 207) TO AN AFFORDABLE HOUSING PRESERVATION PROGRAM

WHEREAS, Palo Mobile Estates (“PME”) is a mobile home park (“Park”) located at 1885 E. Bayshore Road, containing a total of 117 rental spaces, a majority of which are owned by Palo Mobile Estates Associates (“park owners”) and a few of which are resident-owned; and

WHEREAS, PME is no longer subject to the City’s 1988 Rent Stabilization and Eviction for Good Cause Ordinance; and

WHEREAS, in 2008-2010, the City of East Palo Alto (“City”) received and approved PME’s subdivision map application; and

WHEREAS, as part of the City’s Conditions of Approval, and a Settlement Agreement between the Park owner and the Park residents that was incorporated into the Conditions of Approval, PME is required to provide residents who occupied the Park on or before January 1, 2009 with certain benefits upon the Park owner’s offer for sale of the Park lots to residents; and

WHEREAS, in April-May 2020, PME informed the Park residents that PME would be moving forward with the park conversion process including the process through the California Department of Real Estate (“DRE”); and

WHEREAS, on May 6, 2021, DRE issued its Final Public Report (“White Report”) on the conversion of PME to a resident-owned park allowing PME to move forward to offer lots for sale to the Park residents; and

WHEREAS, on June 1, 2021, the City Council adopted Resolution No. 77-2021 that appropriated \$2,000,000 from the Housing In-Lieu Fund (Fund 207) in the form of a loan to East Palo Alto Community Alliance Neighborhood Development Organization (“EPACANDO”) and Preserving Affordable Housing and Assets Longterm, Inc. (“PAHALI”) for the purpose of stabilizing the long-term affordability of Palo Mobile Estates; and directed the City Manager to return to the City Council with an



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agreement between the City and EPACANDO and PAHALI codifying how residents will qualify for the City's assistance and the requirements for EPACANDO to administer the fund; and

WHEREAS, a City loan to EPACANDO and PAHALI would facilitate the purchase of lots in the Park to preserve their long-term affordability through either resident ownership with a right of first refusal for the Community Land Trust ("CLT") for eventual purchase, or CLT ownership; and

WHEREAS, on July 20, 2021, the City Council adopted Resolution No. 107-2021 that approved the \$2,000,000 loan to EPACANDO and PAHALI to support residents at PME who have the opportunity to purchase their lot, and authorized EPACANDO and PAHALI to use loan proceeds as follows:

- a. Provide a deferred gap loan up to fifty percent (50%) of the purchase price of the lot in exchange for the recordation of resale restrictions against the property and an option to purchase for PAHALI and a secondary and third option to purchase for the City and EPACANDO respectively; or
- b. Purchase of the entire lot by PAHALI, which would serve as the substitute landlord for the current tenant under the current tenant's existing tenancy terms; and

WHEREAS, on July 20, 2021, via Resolution No. 107-2021, the City Council also appropriated an additional \$50,000 from the Housing In-Lieu Fund (F207) to cover EPACANDO's cost for the administration in the loan (also known as "PME Loan Program"); and

WHEREAS, prior program terms of 50% loan-to-value required a large contribution from residents, who reported being unable to make that level of contribution from savings or loan; and

WHEREAS, many PME residents could not meet the qualifications required for the loan, in which the primary stumbling blocks were low credit rating, legal work status, and in a few cases, high household income (above the 80% area median income); and

WHEREAS, the contractor and City staff found very few (if any) institutional lending partners, on the basis that until 51% or more of the lots at PME are resident-owned (no longer owned by the former park owner), lot sales do not qualify for conventional financing, necessitating work with hard-to-find specialty lenders; and

WHEREAS, residents who are below 80% area median income ("lower income" pursuant to California Health & Safety Section 50079.5) are now protected by State rent stabilization laws pursuant to AB 1863 (1991), and are less incentivized to purchase their lots, as their rents have been able to remain affordable and less costly than taking on a loan; and

WHEREAS, residents who are above 80% AMI may have more volatile rent increases, as the park owners can increase rents to market rate pursuant to AB 1863, and statewide rent stabilization pursuant to AB 1482 apply neither to mobile home tenancies nor park-owned units held out for rent; and



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WHEREAS, the residents' 90-day opportunity to purchase their lots at the discounted price per the Settlement Agreement is no longer in effect, so lot prices are therefore up to \$75,000 higher, to lot prices of \$300,000-\$325,000; and

WHEREAS, on November 14, 2023, City Council held a study session where staff recommended increasing the income eligibility limit to 120% AMI and the maximum loan amount to 80% of lot price to help fund 7 to 10 loans; and

WHEREAS, on May 7, 2024, via Resolution No. 46-2024, the City increased the income level for PME Loan Program eligibility to 120% AMI, and increased the maximum loan amount to 80% of the lot price (also known as 80% loan-to-value); and

WHEREAS, special circumstances existed to waive the City's formal bid procedure, including that it would not likely lead to lower price, given the work already completed by EPACANDO and the substantial leg work required to get a new vendor on board; and

WHEREAS, on May 7, 2024, via Resolution No. 46-2024, the City authorized the City Manager to enter into a new agreement with EPACANDO for the continued operation of the PME Loan Program with a one-year loan term of May 15, 2024 to May 14, 2025 and the possibility of a one-year extension, in order to continue the PME Loan Program; and

WHEREAS, the City also maintained an allocation toward the Palo Mobile Estates Loan Program in an amount not-to-exceed of Two Million Dollars (\$2,000,000), to be disbursed from the Housing In-Lieu Fund (Fund 207); and an additional allocation of \$50,000 from the Affordable Housing In-Lieu Fund (Fund 207) to cover EPACANDO's administrative costs associated with the Loan; and

WHEREAS, between May 2024 and April 2025, EPACANDO staff completed extensive outreach to 100 households in PME including by mail, phone, email and in-person visits to remind them of the program and convey the program changes; and

WHEREAS, on March 18, 2025, EPACANDO hand-delivered a final letter to residents, notifying them of the program extension's expiration on May 14, 2025, and providing contact information for further inquiries; however, no residents reached out for additional information or assistance; and

WHEREAS, over the past year, despite programmatic changes and extensive outreach efforts by EPACANDO staff, there have been no loan disbursements or resident inquiries regarding the Palo Mobile Estates (PME) Loan Program; and

WHEREAS, while City staff have the authority to extend the PME Loan Program for an additional year, through May 15, 2026, the continued lack of resident interest leads staff to recommend that the \$2,050,000 originally allocated from the Housing In-Lieu Fund (Fund 207) toward the PME Loan Program be redirected to support other housing programs with greater potential for community impact; and

WHEREAS, the 2024-2028 Affordable Housing Strategy, adopted on February 6, 2024, has, among its goals, sought to establish a program to preserve affordable housing through the deed restriction of housing and the preservation of existing deed-restricted housing; and



CONSENT ITEM 17.1

WHEREAS, the 2023-2031 Housing Element, adopted on March 19, 2024, has three policies related to preserving affordable housing, namely: Policy 2.3: Support tenant or community purchase of properties; Policy 4.3: Develop a preservation strategy; and Policy 4.6: Create and fund a City housing rehab program for preservation; and

WHEREAS, with the help of an Equity Innovation Fund grant from the County of San Mateo, available through June 30, 2025, guidelines for an Affordable Housing Preservation Program have been drafted; and

WHEREAS, the County will provide \$34,000 in seed funding toward the City's Affordable Housing Preservation Program through the Equity Innovation Fund grant contingent on the City's own allocation of funds toward such a program.

NOW, THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF EAST PALO ALTO HEREBY:

1. Finds the foregoing recitals are true and correct, and are incorporated by this reference into this action;
2. Rescinds the appropriation of two million fifty thousand dollars (\$2,050,000) toward the PME Loan Program back into the Housing In-Lieu Fund (Fund 207);
3. Allows the termination of the Extension Agreement with EPACANDO upon its May 14, 2025, expiration date, for administration of the Palo Mobile Estates Loan Program, and authorizes the termination of all related agreements (as needed) to end the PME Loan Program; and
4. Reappropriates Two Million Fifty Thousand Dollars (\$2,050,000) from the Housing In-Lieu Fund (Fund 207) to an Affordable Housing Preservation Program; and
5. Finding that the proposed action does not constitute a "project" with the meaning of the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines sections 15378(b)(4) and (5) in that it is a governmental fiscal, organizational or administrative activity that will not result in direct or indirect changes in the environment.

PASSED AND ADOPTED this 6th day of May 2025, by the following vote:



CONSENT ITEM 17.1

AYES:

NOES:

ABSENT:

ABSTAIN:

SIGNED:

Martha Barragan, Mayor

ATTEST:

APPROVED AS TO FORM:

James Colin, City Clerk

John D. Lê, City Attorney



EAST PALO ALTO CITY COUNCIL STAFF REPORT

DATE: MAY 6, 2025

TO: Honorable Mayor and Members of the City Council

VIA: Melvin E. Gaines, City Manager

BY: Humza Javed, Public Works Director
Anwar Mirza, City Engineer
Nancy Murguia, Management Analyst

SUBJECT: University Avenue/101 Pedestrian Overcrossing project update and contract amendments

Recommendation

Adopt a Resolution:

1. Authorizing the City Manager to execute a first amendment to the agreement with Ghirardelli Construction, Inc., (Ghirardelli) for construction management services, increasing the contract amount by three hundred and seventy thousand dollars (\$370,000), for a new not-to-exceed contract amount of \$2,224,308.83;
2. Authorizing the City Manager to execute a fourth amendment to the agreement with AECOM Technical Services, Inc., for design support services during construction, increasing the contract amount by thirty-five thousand, four hundred and fifty dollars (\$35,450), for a new not-to-exceed contract amount of \$1,845,399.00;
3. Appropriating additional \$405,450 to University Avenue/101 Pedestrian Overcrossing project from CIP fund in the City’s Capital Budget; and
4. Finding that the proposed action—contract amendments for the construction of a public works project—is not a “project” under the California Environmental Quality Act (“CEQA”), pursuant to CEQA Guidelines sections 15378(b)(4) and (5), in that it is a governmental fiscal, organizational or administrative activity that will not result in direct or indirect changes in the environment.

Alignment with City Council Strategic Plan



POLICY AND ACTION ITEM 17.2

This recommendation is primarily aligned with:

Implement Comprehensive Transportation and Mobility Plan

Promote Public Health and Safety

Background

The U.S. Highway 101 / University Avenue Interchange Improvements Project (Project) constructs a bicycle and pedestrian overcrossing over U.S. Highway 101, connecting Woodland Avenue to Donohoe Street. This new overcrossing will provide a safe Americans with Disability Act (ADA) compliant route for cyclists and pedestrians. The project also includes improvements to University Avenue and the northbound and southbound off ramps from U.S. Highway 101.

The construction phase involves three primary contracts:

- Construction contractor – MCM Construction, Inc. (MCM)
- Construction Management consultant – Ghirardelli Construction, Inc. (Ghirardelli) (Ghirardelli is representing the City's interests and managing the construction contractor on behalf of the City.)
- Design Services during construction – AECOM Technical Services, Inc. (AECOM)

On March 1, 2022, the City Council approved the plans, specifications, and estimates (PS&E) through Resolution No. 21-2022 and authorized the City Manager to advertise for construction bids. On April 4, 2023, the City Council adopted Resolution No. 34-2023 awarding the construction contract to MCM, the construction management contract to Ghirardelli, and a design contract amendment to AECOM.

On March 19, 2024, the City Council approved Amendment No. 1 with MCM through Resolution No. 28-2024 to incorporate lighting modifications on the overcrossing.

Analysis

Over the past 18 months, the project has made significant progress and achieved several milestones. However, delays caused by design changes and coordination challenges have increased the need for construction management and design support. To keep the project on track, staff recommends amending the contracts with Ghirardelli and AECOM to extend their services.

Information regarding the current project delays are summarized below. In summary, the most significant delay stemmed from design modifications and inter-agency coordination, impacting the project's critical path and requiring extended oversight.

Causes of Delay:



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1. Project Modifications and Scope Changes

- The original construction completion date was set for early 2025; however, City Council-directed changes – especially to bridge lighting and fencing – have resulted in substantial delays.
- The lighting redesign expanded the fixture count from 42 to 198, added complexity, and required structural changes and new fencing.
- AECOM developed the revised fence design, and MCM prepared the corresponding fence shop drawings. This process delayed critical construction activities by several months.
- These changes also required budget adjustments and additional approval steps, which further impacted to the project schedule.
- These delays affected the project’s critical path, meaning the fence design needed to be completed before proceeding with other key construction activities.

2. Additional (Non-Critical Path) Delays

The following delays required additional construction management efforts. These included:

- Traffic Handling Plan Redesign – AECOM revised the Traffic Handling Plan for Donohoe Street, requiring extra coordination and approvals.
- Caltrans Coordination – Caltrans’ concurrent projects within the project boundary required extensive coordination, causing temporary disruptions.

As a result of these delays, the City needs to extend construction management and design services to ensure continuous oversight through project completion.

An additional \$370,000 is needed for Ghirardelli to provide construction management and oversight for the remainder of the project. This amount includes a contingency for project closeout and settlement of potential claims. Another \$35,450 is needed for AECOM to provide design support services through the remainder of the construction phase.

Notices of Potential Claims

During construction, MCM submitted seven notices of potential claims (NOPCs) for additional incurred costs. The City team (staff, Ghirardelli, and AECOM) denied six of these notices and continues to review one unresolved claim. The total estimated cost of the pending claim is approximately \$100,000.

These notices remain “potential claims” and have not impacted the overall project budget. The City team intends to resolve them before project completion without increasing the project’s overall budget. Attachment 4 provides a summary of the NOPC’s.

Project Status:

Project construction began in Summer 2023 and remains actively underway. The City posts



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regular construction updates on the project website:

<https://www.ci.east-palo-alto.ca.us/publicworks/page/us101-university-avenue-pedestrian-overcrossing-and-interchange-project>

The latest project schedule estimates completion in July 2025.

Fiscal Impact

Staff recommends appropriating an additional \$405,450 to complete the project:

- \$370,000 for Ghirardelli to continue construction management and oversight, including contingency for closeout and claim resolution
- \$35,450 for AECOM to continue design support services

Funding sources:

- \$193,138 from CIP Funds – University Plaza COA
- \$212,312 from general CIP Funds

Public Notice

The public was provided notice of this agenda item by posting the City Council agenda on the City's official bulletin outside City Hall and making the agenda and report available at the City's website and at the San Mateo County Library at 2415 University Ave., East Palo Alto, CA 94303.

Environmental

The proposed action-contract amendments for the construction of a public works project-is not a "project" under the California Environmental Quality Act ("CEQA"), pursuant to CEQA Guidelines sections 15378(b)(4) and (5), in that it is a governmental fiscal, organizational or administrative activity that will not result in direct or indirect changes in the environment.

The project has been previously received NEPA and CEQA approval as follows:

NEPA

The California Department of Transportation (Caltrans), the lead agency under the National Environmental Protection Act (NEPA), filed a NEPA Determination finding the project exempt from NEPA [Categorical Exclusion under 23 CFR 771.117(c): activity 27.]

CEQA

Environmental clearance was obtained in 2016. In accordance with California Environmental



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Quality Act (CEQA), on March 14, 2016, the Planning Commission approved Resolution No. PC 2016-04, adopting a mitigated negative declaration, mitigation monitoring program (18 mitigations), and an architectural supervision entitlement, for the underlying project. The updated lighting is consistent with the lighting analyzed in the previous CEQA document and there is no change to the potential impact. No new information was provided that would require a subsequent or supplemental mitigated negative declaration per Public Resources Code §21166 or CEQA Guidelines §15162.

Government Code § 84308

Applicability of Levine Act: No, as the proposed action involves a contract amendment that was originally competitively bid.

Analysis of Levine Act Compliance: Not applicable.

Attachments

1. Resolution
2. Additional services proposal from Ghirardelli Construction, Inc.
3. Additional services proposal from AECOM Technical Services, Inc.
4. Summary of Notices of Potential Claims



CONSENT ITEM 17.2

RESOLUTION NO. XX – 2025

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EAST PALO ALTO

AUTHORIZING THE CITY MANAGER TO EXECUTE A: (1) FIRST AMENDMENT TO THE AGREEMENT WITH GHIRARDELLI CONSTRUCTION, INC., FOR CONSTRUCTION MANAGEMENT SERVICES, INCREASING THE CONTRACT AMOUNT BY \$370,000, FOR A NEW NOT-TO-EXCEED CONTRACT AMOUNT OF \$2,224,308.83; AND, (2) FOURTH AMENDMENT TO THE AGREEMENT WITH AECOM TECHNICAL SERVICES, INC., FOR DESIGN SUPPORT SERVICES DURING CONSTRUCTION, INCREASING THE CONTRACT AMOUNT BY \$35,450 FOR A NEW NOT-TO-EXCEED CONTRACT AMOUNT OF \$1,845,399.00.

WHEREAS, on April 2023, the City Council adopted Resolution No. 34-2023 approving a construction contract with MCM Construction, Inc., a construction management contract with Ghirardelli & Associates, and a design contract amendment with AECOM Technical Services Inc. for the construction of the University Avenue/ 101 Pedestrian Overcrossing project (project); and

WHEREAS, the project has been under construction since late summer 2023; and

WHEREAS, the project modification and scope, including lighting changes resulting in design changes to fencing to accommodate it, a redesign to the traffic handling plan, and additional coordination with Caltrans' for adjacent construction projects has caused the project to face delays; and

WHEREAS, the project team is continuing to move the project forward towards completion in the summer of 2025; and

WHEREAS, an increase in construction management services as well as design support services are needed to continue the project towards completion; and

WHEREAS, funds for the additional work to be appropriated from the capital budget.

NOW, THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF EAST PALO ALTO HEREBY:

1. Finds the foregoing recitals are true and correct, and are incorporated by this reference into this action;
2. Authorizes the City Manager to execute a first amendment to the agreement with Ghirardelli Construction, Inc., increasing the contract amount by three hundred and seventy thousand (\$370,000), for a new not-to-exceed contract amount of \$2,224,308.83 for construction management services;



CONSENT ITEM 17.2

- 3. Authorizes the City Manager to execute a fourth amendment to the agreement with AECOM Technical Services, Inc., increasing the contract amount by thirty-five thousand (\$35,450), for a new not-to-exceed contract amount of \$1,845,399.00 for design support services during construction; and
- 4. Appropriating additional \$405,450 to University Avenue/101 Pedestrian Overcrossing project from the CIP fund in the City’s Capital Budget;
- 5. Finding that the proposed action—contract amendments for the construction of a public works project—is not a “project” under the California Environmental Quality Act (“CEQA”), pursuant to CEQA Guidelines sections 15378(b)(4) and (5), in that it is a governmental fiscal, organizational or administrative activity that will not result in direct or indirect changes in the environment.

PASSED AND ADOPTED this 6th of May 2025, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Martha Barragan. Mayor

ATTEST:

APPROVED AS TO FORM:

James Colin, City Clerk

John D. Lê, City Attorney

April 21, 2025
 Humza Javed, PE., QSD
 Public Works Director
 City of East Palo Alto
 1960 Tate Street
 East Palo Alto, CA 94303

RE: US 101/University Avenue – Contract Amendment

Dear Mr. Javed,

I am writing to document and summarize our team’s discussions about construction management budget needs for the US 101/University Ave POC Project. The currently authorized budget for Ghirardelli’s construction management contract is \$1,839,557.83. See CCO #1 excerpt below.

Excerpt from Contract No. ST-14 A/B, Change Order No. 1

Financial Breakdown:	
The City Council approved a contract with Ghirardelli Associates in the amount of \$1,685,735.30. This Contract Change Order will increase the original contract by an amount of \$153,822.53 to a revised contract amount of \$1,839,557.83. The additional cost will be paid from the contingency balance of this project. Resulting in a remaining \$14,751.00 contingency balance.	
Original Contract Amount (Resolution 34-2023)	\$1,685,735.30
Original Contingency Amount	\$168,573.53
Cost of this Contract Change Order (CCO # 01)	\$153,822.53
Total Additional Cost of Change Orders to Date	\$0
Balance of Contingency Amount (After Change Order)	\$14,751.00
Contract Total Estimated Cost (After Change Order)	\$1,839,557.83

We estimate the authorized budget will be exhausted on April 30, 2025. The Contractor (MCM) is reporting that they expect the work to be complete by July 30, 2025. For punchlist work and final closeout, we anticipate at least two additional months of construction management work.

Below is a projection showing actual values in black font and estimated values in brown font.

Invoice #	Project #	Work Thru	Invoice Amount	Cumulative Total Used	Auth Budget (no contingency)
20	22085	Jan-25	\$75,611.11	\$1,661,151.02	\$1,685,735.30
21	22085	Feb-25	\$52,127.34	\$1,713,278.36	\$1,839,557.83
22	22085	Mar-25	\$61,942.50	\$1,775,220.86	\$1,839,557.83
23	22085	Apr-25	\$60,000.00	\$1,835,220.86	\$1,839,557.83
24	22085	May-25	\$60,000.00	\$1,895,220.86	\$1,839,557.83
25	22085	Jun-25	\$60,000.00	\$1,955,220.86	\$1,839,557.83
26	22085	Jul-25	\$60,000.00	\$2,015,220.86	\$1,839,557.83
27	22085	Aug-25	\$40,000.00	\$2,055,220.86	\$1,839,557.83
28	22085	Sep-25	\$40,000.00	\$2,095,220.86	\$1,839,557.83

For the next three months we are projecting the construction management team will need about \$60k/month. Here is a breakdown showing how we estimate that will be used.

Resident Engineer -	86 hours/month
Assistant Resident Engineer -	22 hours/month
Office Engineer -	40 hours/month
Contract Reimbursement Manager -	8 hours/month
Construction Inspector -	120 hours/month

Based on those projections, our construction management team will need an additional estimated **\$256k** to complete the project. That would increase the authorized budget from \$1,839,557.83 to \$2,095,557.83. In addition, we recommend that the City increase the contingency balance by about **\$114K**, from \$14k (see above) to \$128k.

The total amount being requested is $\$256k + \$114k = \mathbf{\$370k}$.

If there are any questions, or if the City wants more information, please let me know.

Sincerely,



Scott S. Buckley, P.E., PMP
Resident Engineer
Ghirardelli Associates, Inc.

cc: Humza Javed & Anwar Mirza (City of East Palo Alto), Charlie Krueger (Ghirardelli)

April 16, 2025

Humza Javed, PE
 Public Works Director
 City of East Palo Alto
 1960 Tate Street
 East Palo Alto, CA 94303

Re: US101/University Avenue Interchange Improvement Project – Design Support During Construction Services Supplemental Budget Request

Dear Humza:

We are pleased to submit the proposal to continue providing design support during construction (DSDC) services for the US 101/University Avenue Interchange Improvement project due to delay of construction completion. The supplemental budget is for the period between May 1, 2025 and September 30, 2025. The following provides the estimated monthly efforts for the extended period.

Task	Activity Description	MAY 2025	JUNE 2025	JULY 2025	AUG 2025	SEPT 2025	Total
28645627.100	DSDC - PM	1,677.00	1,677.00	1,677.00	1,677.00	2,023.00	8,731.00
28645627.101	RFI's	1,502.00	1,502.00	1,502.00	1,502.00		6,008.00
28645627.102	Respd to Questions	1,413.00	1,413.00	1,413.00	1,413.00		5,652.00
28645627.103	Rev Contractor's Sub	1,502.00	1,502.00	1,502.00			4,506.00
28645627.105	CCO	1,016.00	1,016.00	1,016.00			3,048.00
28645627.109	As-Builts Plans					5,755.00	5,755.00
28645627.200	IKEA ROW Close Out	350.00	350.00	350.00	350.00	350.00	1,750.00
	TOTAL	\$7,460.00	\$7,460.00	\$7,460.00	\$4,942.00	\$8,128.00	\$35,450.00

The estimated fee is \$35,450.

If you have any questions, please contact me at 408-967-9719 or daniel.ho@aecom.com.

Sincerely,

AECOM



Daniel Ho
 Project Manager

Summary of Notices of Potential Claims

US 101/University

Notice of Potential Claim (NOPC)/Potential Claim Report (PCR) SS 5-1.43

PCR #	Title	Contractor Claim Summary	City Rebuttal Summary	Reference	Claimed Cost	Status
1	Pre/Post Construction Surveys	MCM claims that there is no bid item for pre/post construction surveys, therefore it would be extra work.	Survey work is to be paid as part of the listed bid items and no additional compensation is warranted. City allowed the work to proceed without pre-construction survey.	RFI 07 & 07.1, CCO 16	\$14,520.00	UNRESOLVED - CCO 16 (- \$7,260.00) sent to MCM for signature on 3/22/24
2	Project Start Delay	MCM claims that they had planned to start work on September 6, 2023 and they were delayed. They want compensation for the delay.	Many different start dates were discussed. MCM's baseline schedule shows work starting October 3, 2023.	RFI 17	\$45,540.72	Claim denied. There is ample documentation showing the start date as Oct 3, 2023. Claim denied.
3	Settlement Platform Payment	MCM claims there is no bid item for settlement monitoring. If the City wants settlement monitoring, then a change order should be issued to pay for it.	Payment for installing the settlement platform and monitoring is included in the related work and specified bid items.	RFI 28	\$4,600.00	Denied
4	Manhole Frame and Covers	MCM claims there is no method of payment in the contract for manhole frames and covers.	Payment is made as part of Bid Item 90	RFI 91.1	\$13,800.00	Denied/Review Pending
5	Roadway Excavation Payment	MCM claims that Remove Base and Surfacing is not shown on the plans. Therefore, it should be paid for under a change order.	Work is paid for under Bid Items 33 and 70.	RFI 77.2	TBD	Denied/Review Pending
6	Detectable Warning Service Payment	MCM claims the contract does not include a means of apying for the detectable warning surface.	Payment is included in related bid items.	RFI 100	\$13,800.00	Denied/Review Pending
7	Electrical Conduit - JSA Conflict	MCM claims electrical conduits in the bridge curb conflict with the joint seal assembly.	There is room for both to fit if MCM had positioned the conduits differently.	RFIs 121, 121.1, 121.2, 123	\$3,008.61	Denied