THIS AMENDMENT NO. 1 (AMENDMENT 1) TO AGREEMENT 04-2599 (AGREEMENT), entered into and effective on October 14, 2016, is between the State of California, acting through its Department of Transportation, referred to as CALTRANS, and:

San Mateo County Transportation Authority, a political subdivision of the State of California, referred to hereinafter as SMCTA, and
City of Menlo Park, a body politic and a municipal corporation of the state of California, referred to herein as CITY.

RECITALS

1. CALTRANS, SMCTA and CITY, collectively referred to as PARTNERS, entered into AGREEMENT on July 25, 2016, defining the terms and conditions for the construction phase of a highway improvement project (PROJECT), consisting of reconstruction of the existing Route 101/Willow Road (Route 114) Interchange within the CITY limits, in San Mateo County.

2. Under AGREEMENT, CITY is the sole SPONSOR and CALTRANS is the IMPLEMENTING AGENCY for the PROJECT construction. CALTRANS is also the CEQA and NEPA lead agency for PROJECT. Under AGREEMENT, funding for PROJECT Capital, in the amount of $56,000,000, is to be provided by SMCTA (Local Funds). Funding for PROJECT Support in the amount of $8,000,000, is to be provided by CALTRANS (STIP/RIP).

3. PARTNERS are now entering into AMENDMENT 1 pursuant to Government Code section 14529.7(a) amended by Assembly Bill 3090, which allow a local jurisdiction (with the prior concurrence of the appropriate transportation planning agency, the California Transportation Commission (CTC) and CALTRANS), to advance a project included in the State Transportation Improvement Program (STIP) to an earlier fiscal year through the use of its own funds. One or more replacement projects may then be identified and included in the STIP at the originally scheduled fiscal year of the advanced project.
4. Pursuant to Government Code section 14529.7(a), SMCTA has requested the Regional Transportation Planning Agency and the CTC to amend the STIP to allow SMCTA to advance the amount shown in the Funding Summary for Construction Support in Local Measure A (non-State/non-Federal/non-gas tax) funds towards construction of PROJECT, currently programmed with STIP funding in the 17/18 fiscal year. CALTRANS will reimburse SMCTA for the equal amount advanced at a later date with STIP funds, if those STIP funds are actually subsequently allocated by the CTC for that PROJECT, appropriated by the legislature under the annual legislative appropriation and State Budget Authority. CALTRANS will reimburse SMCTA the excess Indirect Cost Rate Proposal (ICRP) funds collected.

5. CTC has taken action on the STIP amendment at the August 17, 2016 CTC meeting, allowing SMCTA to use Local Measure A (non-State/non-Federal/non-gas tax) funds to advance and complete construction for PROJECT, and the STIP will be amended such that the STIP portion of the PROJECT construction phases, programmed originally as a future allocation, will be replaced with the Local Measure A amount as shown on the table below.

6. PARTNERS wish to enter into AMENDMENT 1 to incorporate the funding changes described above from Recitals 3 to 5.

IT IS THEREFORE MUTUALLY AGREED

7. FUNDING SUMMARY No. 01 of AGREEMENT, including its components, the SPENDING SUMMARY, Funding, Invoicing and Payment articles will be replaced in its entirety by FUNDING SUMMARY No. 02, attached herewith and made a part of AMENDMENT 1. Any reference to FUNDING SUMMARY will now be deemed a reference to FUNDING SUMMARY No. 02.

8. All other terms and conditions of AGREEMENT shall remain in full force and effect.

9. AMENDMENT 1 is deemed to be a part of, and is included in, AGREEMENT.
### Funding Summary No. 02

#### Funding Table

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#### Spending Summary

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PACT Project Development Agreement 2015-03-12 (Created 10/09/15)
Funding

1. In accordance with the CALTRANS Federal-Aid Project Funding Guidelines, PARTNERS must obtain approval from the Federal Highway Administration prior to any PROJECT funding changes that will change the federal share of funds.

2. SMCTA’s contribution of Measure A funds is shown in the FUNDING SUMMARY for Construction Capital cost.

3. SMCTA also is advancing Measure A funds that do not include state, federal, or fuel-tax funds in accordance with Government Code section 14529.7 and the California Transportation Commission (CTC) Advance Local Funding Reimbursement Guidelines (GUIDELINES) which are made part of this AGREEMENT.

4. SMCTA’s advancement of Measure A funds is shown in the FUNDING SUMMARY for Construction Support under “Local Measure.” CALTRANS will reimburse SMCTA for the equal amount advanced at a later date with STIP funds, if those STIP funds are actually subsequently allocated by the CTC for that PROJECT, subject to annual legislative appropriation and State Budget Authority and excess Indirect Cost Rate Proposal (ICRP) funds collection. Obligations of the PARTNERS will continue until full reimbursement is completed, regardless of the project’s construction completion date.

5. SMCTA will invoice CALTRANS and CALTRANS will reimburse SMCTA with STIP funds for this PROJECT when allocated by the CTC in accordance with the GUIDELINES and subject to state budget authority. Funds advanced by SMCTA will therefore be considered a state fund source, subject to federal reimbursement, for the purposes of complying with CALTRANS policies, state and federal law, and the terms of this AGREEMENT.

6. State policy requires CALTRANS to apply the Functional and Administration ICRP rates applicable on Measure funds. When STIP/ RIP funds become available for the PROJECT, the ICRP rate changes to a Functional ICRP rate retroactively and all of the funds collected in excess of the Functional ICRP rate shall be refunded to SMCTA in increments proportional to the project allocations by the CTC.

Invoicing and Payment

7. PARTNERS will invoice for funds where the SPENDING SUMMARY shows that one PARTNER provides funds for use by another PARTNER. PARTNERS will pay invoices within forty-five (45) calendar days of receipt of invoice when not paying with Electronic Funds Transfer (EFT). When paying with EFT, SMCTA will pay invoices within five (5) calendar days of receipt of invoice.
8. If SMCTA has received EFT certification from CALTRANS then SMCTA will use the EFT mechanism and follow all EFT procedures to pay all invoices issued from CALTRANS.

9. When a PARTNER is reimbursed for actual costs, invoices will be submitted each month for the prior month's expenditures. After all PROJECT COMPONENT WORK is complete, PARTNERS will submit a final accounting of all PROJECT COMPONENT costs. Based on the final accounting, PARTNERS will invoice or refund as necessary to satisfy the financial commitments of this AGREEMENT.

CONSTRUCTION SUPPORT

10. CALTRANS will invoice SMCTA for a $200,000 initial deposit after execution of this AGREEMENT and forty-five (45) working days prior to the commencement of CONSTRUCTION SUPPORT expenditures. This deposit represents one (2) months’ estimated costs.

11. Thereafter, CALTRANS will invoice and SMCTA will reimburse CALTRANS for actual costs for CONSTRUCTION SUPPORT expenditures up to a total of $10,400,000.

CONSTRUCTION CAPITAL

12. CALTRANS will invoice SMCTA for a $300,000 initial deposit after execution of this AGREEMENT and forty-five (45) working days prior to the commencement of CONSTRUCTION CAPITAL expenditures. This deposit represents one (1) month’s estimated costs.

   Thereafter, CALTRANS will invoice and SMCTA will reimburse CALTRANS for actual costs for CONSTRUCTION CAPITAL expenditures up to a total of $56,000,000.

Department Furnished Materials (DFM)

13. CALTRANS will invoice and SMCTA will reimburse for actual DFM costs up to total of $500,000.
SIGNATURES

PARTNERS are empowered by California Streets and Highways Code section 114 and 130 to enter into AMENDMENT 1 and have delegated to the undersigned the authority to execute AMENDMENT 1 on behalf of their respective agencies, and have followed all of the necessary legal requirements and covenants to validly execute AMENDMENT 1.

Signatories may execute through individual signature pages provided that each signature is an original. AMENDMENT 1 is not fully executed until all original signatures are attached.

STATE OF CALIFORNIA
DEPARTMENT OF TRANSPORTATION

Helena (Lenka) Culik-Caro
Deputy District Director, Design

Certified as to funds:

Jeffrey Armstrong
District Budget Manager

PACT Project Development Agreement 2015-03-12 (Created 10/09/15)
SAN MATEO COUNTY TRANSPORTATION AUTHORITY

Jim Hartnett
Executive Director

Attest:

Martha Martinez
Authority Secretary

Approved as to form and procedure:

Joan Cassman
Attorney
By: Alex D. McIntyre
City Manager

Attest: Pamela Aguilar
City Clerk

By: William L. McClure
City Attorney

PACT Project Development Agreement 2015-03-12 (Created 10/09/15)
RESOLUTION NO. 2016-18

BOARD OF DIRECTORS, SAN MATEO COUNTY TRANSPORTATION AUTHORITY
STATE OF CALIFORNIA

***

PROGRAMMING AND ALLOCATING TO ADVANCE $10.4 MILLION OF MEASURE A FUNDING FOR THE HIGHWAY 101/WILLOW ROAD INTERCHANGE PROJECT AND AUTHORIZE A REIMBURSEMENT AGREEMENT WITH THE CALIFORNIA STATE DEPARTMENT OF TRANSPORTATION

WHEREAS, on June 7, 1988, the voters of San Mateo County approved a ballot measure known as "Measure A," which increased the local sales tax in San Mateo County by one-half percent with the new tax revenues to be used for highway and transit improvements pursuant to the Transportation Expenditure Plan (TEP) presented to the voters; and

WHEREAS, on November 2, 2004, the voters of San Mateo County approved the continuation of the collection and distribution by the San Mateo County Transportation Authority (TA) of the New Measure A half-cent transactions and use tax for an additional 25 years to implement the 2004 TEP beginning January 1, 2009; and

WHEREAS, the Highway 101/Willow Road Interchange Project (Project), sponsored by the city of Menlo Park, has completed the environmental, design and right-of-way phases funded with a combination of Measure A and State funding, and is ready to begin construction; and

WHEREAS, the Project is included and eligible to be funded under the 1988 and 2004 TEPs; and

WHEREAS, on October 1, 2015, the Board of Directors through Resolution 2015-19 programmed and allocated $56.4 million of Measure A funding for the construction phase of the Project; and
WHEREAS, State funding was programmed in Fiscal Year (FY) 2018 to cover the balance of the construction cost of the Project; and

WHEREAS, in December 2015, in an effort to bring the funding in line with the project schedule and as part of the 2016 State Transportation Improvement Program (STIP) adoption process, the City/County Association of Governments (C/CAG) requested that the California Transportation Commission (CTC) advance the funding to FY2017; and

WHEREAS, due to diminishing gas tax revenue, the CTC was unable to accommodate C/CAG's request; and

WHEREAS, in an effort to advance the Project into the construction phase in summer 2016 and avoid a delay in the start of construction for a year or more, staff proposes to pursue and execute a California State Department of Transportation (Caltrans) advance reimbursement agreement; and

WHEREAS, this agreement allows a local agency to use its own funds to advance a project sooner than the State funding is programmed; and

WHEREAS, under this State process, the TA's advance of funds for the Project will be prioritized in the payment of programmed funds in the FY2016 STIP.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the San Mateo County Transportation Authority hereby programs and allocates an additional $10.4 million to advance Measure A funding from the Highway Program Category for the Highway 101/Willow Road Interchange Project; and

BE IT FURTHER RESOLVED that the Executive Director or his designee is authorized to execute a loan agreement with Caltrans under which Caltrans will reimburse these Measure A funds; and
BE IT FURTHER RESOLVED that the Executive Director or his designee is authorized to take all other actions necessary to advance $10.4 million of Measure A funding and be reimbursed with State funding at a future date.

Regularly passed and adopted this 4th day of August, 2016 by the following vote:

AYES: HORSEY, MATSUMOTO, NIHART, GROOM

NOES: NONE

ABSENT: FRESCHET, IBARRA, JOHNSON

Chair, San Mateo County Transportation Authority

Authority Secretary
A. Mayor Cline called the meeting to order at 7:04 p.m.

B. Roll Call

Present: Carlton, Cline, Keith, Mueller, Ohtaki
Absent: None
Staff: City Manager Alex McIntyre, City Attorney Bill McClure, City Clerk Pamela Aguilar

C. Pledge of Allegiance

Mayor Cline led the pledge of allegiance.

D. Report from Closed Session

Mayor Cline stated that there is no reportable action from the Closed Session held earlier.

Mayor Cline made the following announcements:

- The City is recruiting for the current commission and committee vacancies – Bicycle, Environmental Quality, Housing, Library, and Planning Commissions and the Finance and Audit Committee and Sister City and Friendship Committee
- The appellant in agenda item 13 – Deny appeal of the Transportation Impact Fee (TIF) levied on 687 Bay Road – has requested this item be removed from the agenda and therefore this item will not be considered by the City Council

E. Study Session

E1. Provide direction on the latest design and design criteria for the Santa Cruz Avenue Sidewalk Project (Staff Report# 16-031-CC) (Presentation)

Public Works Director Justin Murphy made a presentation.

Public Comment:

- Arnold Wilson spoke regarding narrow sidewalks, utility poles and heritage trees
- Gerry Andeen spoke in support of well-designed sidewalks and expressed concern regarding existing infrastructure
• Diane Bailey spoke regarding traffic and in support of sidewalks
• Patti Fry inquired about undergrounding of utilities and spoke regarding recycling bins in the bike lane and safety for pedestrians and kids
• Greg Druehl spoke in support of six-foot sidewalks that are safe and usable
• Maggie Betsock inquired about competitive bidding for the leveling of the street and in support of sidewalks, providing financial aid to homeowners on Santa Cruz who chose to landscape the front of their property and relocating smaller heritage trees
• Sally Cole requested the Council to look at the street holistically and consider undergrounding now, and spoke in support of sidewalks and regarding safety, speed, traffic, and preserving the character and beauty of Santa Cruz Avenue
• Lisa McPherson spoke regarding liability of uneven sidewalks and who is responsible
• Norman Alot spoke regarding increasing curb option and requested annotations to the diagram reflecting what is within the 5 foot curb

Staff responded to Council and public questions and discussion ensued regarding undergrounding, liability and filling gaps in elevated sidewalks, drainage, pricing, information on 10-foot versus 10.5-foot and 11-foot wide travel lanes and the possible increase of sidewalk space, and timeframe for the project.

There was Council support for the preferred alternative.

At this time, Mayor Cline called item G – Public Comment out of order.

G. Public Comment

• Bill Kirsch read written comments on behalf of Cindy Welton regarding the Oak Grove bike boulevard and her request to upgrade the project to extremely important and decouple the bike corridor from the parking garage.
• Bill Kirsch spoke regarding the Oak Grove bike boulevard and read comments from the Bicycle Commission
• Michael Francois spoke regarding Round Up

F. Presentations and Proclamations

F1. Presentation by West Bay Sanitary District regarding Recycled Water Project at Sharon Heights (Presentation)(Map)

District Manager Phil Scott of West Bay Sanitary District and Dave Richardson of RMC Water and Environment made a presentation.

Council expressed its support of the project.
H. Consent Calendar

Councilmember Keith requested items H1, H2 and H4 be pulled for further comment and discussion.

H1. Quarterly review of data captured by Automated License Plate Reader (ALPR) for the period beginning November 1, 2015 through February 1, 2016 and request to move to yearly reports (Staff Report# 16-024-CC)

H2. Quarterly review of Taser Program for the period beginning October 1, 2015 and ending January 1, 2016 and request to move to annual reports (Staff Report# 16-027-CC)

H3. Authorize the Public Works Director to accept the work performed by Syserco Inc. for the Energy Monitoring System of the Administration and Library buildings (Staff Report# 16-023-CC)

H4. Approve minutes for the regular City Council meeting of January 26, 2016; and the minutes for the Joint Special Meeting of the City Council, Bicycle Commission and Transportation Commission of January 26, 2016 (Attachment)

ACTION: Motion and second (Keith/Ohtaki) to approve Consent Calendar item H3 passes unanimously.

Regarding items H1 and H2, Councilmember Keith requested that these reports continue to be brought back before the Council every six months.

ACTION: Motion and second (Keith/Mueller) to approve Consent Calendar items H1 and H2 with the amendment that both reports be brought back to Council every six months passes unanimously.

Councilmember Carlton requested the following amendment to the January 26th City Council meeting minutes regarding the motion on item F9:

Motion and second (Mueller/Carlton) to approve item F9 with the inclusion of Councilmember Carlton’s request for clarification and additional information regarding replacing lawn with artificial turf in parks and schools will not be mandatory and Councilmember Mueller's clarification that the City's representative to the PCE will bring policy regarding renewable rate increases and percentage back to the Council as a consent item before going to the PCE passes unanimously.

Councilmember Keith requested the following amendment to the January 26th joint meeting minutes of the City Council and Bicycle and Transportation Commissions regarding item D1:

There was unanimous Council support to explore the Oak Grove bike boulevard concept and that the Transportation Commission will reach out to businesses.

ACTION: Motion and second (Keith/Carlton) to approve Consent Calendar item H4 with the amendments outlined above passes unanimously.

I. Regular Business

11. Authorize the City Manager to prepare an additional funding request to the San Mateo County Transportation Authority (SMCTA) for the US 101/Willow Road Interchange Project to appoint a City Council member or subcommittee to advocate for Caltrans support (Staff Report# 16-032-CC)
Public Works Director Justin Murphy introduced the item.

Councilmember Keith proposed and the City Council agreed by acclamation to add language to the request letter emphasizing the need for the project in order to address seismic retrofit and safety.

There was Council consensus to direct staff to present the design of the off-ramp and analysis as an Informational Item at a future meeting.

**ACTION:** Motion and second (Keith/Ohtaki) to prepare an additional funding request to the San Mateo County Transportation Authority (SMCTA) for the US 101/Willow Road Interchange Project as amended, to appoint the Mayor and Mayor Pro Tem to liaise for Caltrans support, and to bring back the design and analysis as an Informational Item at a future meeting passes unanimously.

12. Authorize reservation of funds and mid-year budget adjustments in the Solid Waste Fund and authorize the City Manager to execute a professional services agreement for a solid waste services rate study in an amount not to exceed $250,000 (Staff Report# 16-026-CC) (Presentation)

Environmental Programs Manager Heather Abrams made a presentation.

Staff responded to Council questions and discussion ensued regarding competitive bidding and the not-to-exceed amount of the agreement to be executed.

**ACTION:** Motion and second (Keith/Othaki) to: (1) Appropriated $360,000 of unreserved fund balance to pay off the accumulated shortfall revenue required under the franchise agreement with Recology and actual revenues collected, as provided for in the Franchise Agreement between the City of Menlo Park and Recology (2) Reserve $162,000 for the projected shortfall for revenue required under the franchise agreement with Recology and actual revenues collected for the 2016 calendar year (3) Authorize City Manager to execute a professional services agreement, in an amount not-to-exceed $175,000, with a qualified rate structure study consultant passes 3-2 (Mayor Cline and Councilmember Mueller dissent).

13. Deny the appeal of the Transportation Impact Fee (TIF) levied on 687 Bay Road (Staff Report# 16-021-CC)

This item was removed from the agenda at the request of the appellant.

14. Receive a report and hear public comment on upcoming negotiations with the Menlo Park Police Sergeants Association (PSA) on a successor agreement to the agreement expiring June 30, 2016 (Staff Report# 16-020-CC)

Administrative Services Director Nick Pegueros introduced the item.

There was no public comment. The report was received.

15. Introduce an ordinance amending Menlo Park Municipal Code Section 2.04.120 regarding Mayor Selection (Staff Report# 16-026-CC)

City Clerk Pamela Aguilar introduced the item.

**ACTION:** Motion and second (Keith/Carlton) to introduce an ordinance amending Menlo Park Municipal Code Section 2.04.120 regarding Mayor Selection passes unanimously.
16. Approval of the 2016 City Council Work Plan, Budget Principles and City Council Procedures Manual (Staff Report# 16-029-CC)

City Manager Alex McIntyre introduced the item. He asked for Council direction and consensus on the crosswalk policy, bike lanes on Oak Grove and bus shelters.

There was only consensus among Council to direct staff to submit an Informational item regarding bus shelters and a crosswalk policy at a future meeting.

ACTION: Motion and second (Keith/Mueller) to hold a study session regarding a minimum wage ordinance passes unanimously.

Councilmember Keith requested that information regarding the State ballot initiative on minimum wage be brought back to the Council as an Informational item within the next 60 days.

ACTION: Motion and second (Keith/Ohtaki) to hold a study session regarding affordable housing which will cover long term leases, tenant relocation assistance and mandatory non-binding arbitration passes unanimously.

Public Comment:

- Diane Bailey spoke regarding the Peninsula Advance Communities project and encouraged the City Council to apply for an upcoming grant; she also spoke in support of the Oak Grove bike boulevard, enhancing of shuttle projects and bus shelters.

- Adina Levin asked for clarification regarding the Oak Grove bike boulevard and the parking garage projects and the sequencing and scopes of these projects.

There was discussion to discuss the Oak Grove bike boulevard project in a study session with the parking garage project and that the two may or may not be dependent on each other to go forward. Other priorities discussed by Council included bus shelters, downtown outdoor seating, the Specific Plan biennial review, electronic vehicle charging stations, potentially delaying library landscaping as a trade-off for adding to the list, bike and pedestrian visibility projects on Chico as well as bike boxes.

ACTION: Motion and second (Keith/Ohtaki) to approve the 2016 City Council Work Plan and Budget Principles passes unanimously.

Council discussed the procedures manual in regards to placing items on the Council meeting agenda. The City Manager and City Attorney were directed to review and clarify the process for Councilmembers to place items on the Council meeting agenda.

This item will be brought back to Council for approval as a Consent item on February 23rd.

17. Provide direction on ConnectMenlo (General Plan and M-2 Area Zoning update) schedule (Staff Report# 16-030-CC)

There was consensus by Council to follow the proposed schedule B with direction to staff that the meetings be videotaped, that there be no hard stop time and to look into shortening the timeframe of the latter portion of the schedule.
J. Informational Items

J1. Overview of the Water Supply Assessment for the Facebook Campus Expansion Project and the Water Supply Evaluation for the ConnectMenlo General Plan Update and M-2 Area Zoning Update (Staff Report# 16-022-CC)

J2. Letter of support to the San Francisco Bay Conservation and Development Commission for the San Francisco Bay Creek Joint Powers Authority's San Francisquito Creek Flood Reduction, Restoration and Recreation San Francisco Bay to Highway 101 Project (Staff Report# 16-028-CC)

K. Councilmember Reports

K1. There were no Councilmember reports.

L. City Manager's Report

L1. There was no City Manager report.

M. Adjournment

Mayor Cline adjourned the meeting at 11:17 p.m.

Pamela Aguilar
City Clerk

These minutes were approved at the City Council meeting of March 15, 2016