



DATE: April 18, 2016
TO: PHCD BOARD OF DIRECTORS
FROM: Cheryl Fama, Ashley McDevitt, Joel Roos, Prakash Pinto, and Candace Hathaway
RE: Peninsula Wellness Community Master Plan

OVERVIEW:

The EIR special/technical studies and Design Guidelines have been advancing during the months of March and April.

While the consultants have been busy during the month of March it has been a quiet month for PHCD team as they awaited completion of the technical studies.

The work during the month of May will be focused on completing the special/technical studies and the initiation of peer reviews by the City and their consultant, Powers & Associates of the studies noted below.

The Design Guidelines will also be advancing during April and May.

EIR DEVELOPMENT AND DESIGN GUIDELINES:

The City and Powers & Associates provided the team with the EIR Project Description on April 1. The PHCD team has reviewed the Project Description and will provide comments by the end of the week of April 18.

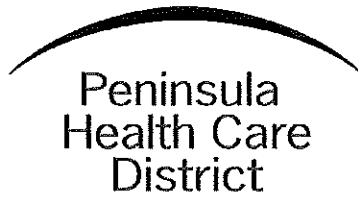
The following is the progress and timing on the special/technical studies currently underway:

Infrastructure Report:

BKF Civil Engineers provided a detailed infrastructure report to the team on April 4. The report included design concepts and narratives for the dry and wet utilities, storm water management, fire access, and cut and fill calculation. The PHCD team has provided comments to BKF and BKF is currently re-drafting the report.

Pinto and Roos will be meeting with BKF during the week of April 25 to discuss and modify the cut and fill concepts. (in an effort to reduce the amount of soil off-haul from the site). Pursuant to changes to the cut and fill balance, the report will be completed during the week of May 2 and will then be issued to the City and Powers & Associates.

In mid-March, upon request of the PHCD team, BKF developed a conceptual budget for the infrastructure improvements. The infrastructure estimate which are 2016 costs, were



estimated to be \$7.75 M. This estimate assumes a significant amount of grading and off-haul of material (the team is working on reducing the off-haul number as noted above).

This estimate provided by BKF does not include traffic mitigation measures that may include traffic signals, for example. The notes on the estimate provide detail on the assumptions.

Transportation and Traffic:

Fehr & Peers is completing the Transportation Impact Analysis (TIA) which is to include a parking demand study. Fehr & Peers met with team on March 22 to begin to develop a Transportation Demand Management (TDM) strategy for the project. Only zero and low cost strategies were considered. It is important to develop TDM strategies at this time in order to reduce auto trips and parking needs. The team has been mindful of selecting strategies that will not encumber the property with costly impacts. Ultimately the purpose of the measures is to help reduce the amount of automobile traffic coming and going from the campus and to ultimately reduce the parking demands. The strategies will be presented to the Board in the next month for review.

Fehr & Peers was to provide the TIA in mid-April, however, they requested an extension of time to early May.

Geotechnical Investigation:

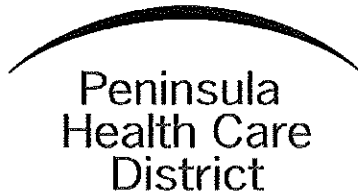
The geotechnical borings of the site took place on March 23, 2016. The borings went extremely well with no surprises.

The purpose of the geotech borings and geotech evaluation is to provide a feasibility level report for the EIR and to help to inform future development partners on the structural stability of the soil and the prospective building foundation recommendations.

The geotech report will be submitted to PHCD on or about May 1 in a draft form. The field reports indicate competent soil. Ground water was identified between 7' and 20' below grade.

Other:

- Powers & Associates will be performing peer reviews of the Transportation Impact Analysis and the Geotechnical Report during the months of May and June.
- A formal project review meeting will be held at PUC's office in Millbrae on June 10. The purpose of the meeting is to present the project to PUC staff for any feedback on



construction around and about the Hetch Hetchy easement. The team has requested a preliminary informal meeting with PUC staff during the month of May.

- Pinto and Partners is working with Toni Bava (Landscape Architect) on preliminary design guidelines for EIR Report (Due June).
- Pinto and Partners is also working on the preparation for Open Space/Pocket Park public meeting in early June (with Toni Bava).

OUTREACH:

Most of the neighbors who attended outreach meetings expressed an interest in participating in discussions about designing the Pocket Park. There will be a meeting on that topic on Saturday, June 11. An update on the Design Guidelines for the project will be included in the agenda.

There has been minimal feedback from the neighborhood about the plans for the Peninsula Wellness Community and almost all of what has been received has been positive. The team continues to update the Burlingame City Council liaison and to meet with key neighborhood and opinion leaders.

BUDGET:

As of the end of February 2016, \$473,477 of the \$1,142,477 budget has been expended. This represents 41% of the budget.

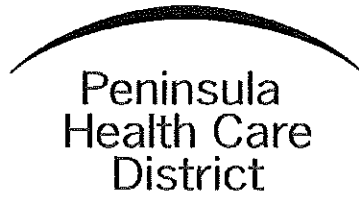
You will find attached the contingency usage log "Proposed Changes to Line Items" dated April 16, 2016. Each month the cash flow is updated and modifications to the projected line items are made, as needed. The contingency usage log is set up to weigh the percentage of the project expended to date versus the contingency usage. As you will see from this chart, 17% of the contingency has been used to date. This is in balance with the expenditures to date which is 41% of the budget.

Given that the entitlement period will be extended, the cash flow will be recast and presented to the Board next month for review.

SCHEDULE:

You will find attached the Master Schedule dated April 18, 2016.

As noted in December 2015, the schedule has been recast to include the schedule logic provided by the City and its consultant Powers & Associates. The critical path of the schedule is the CEQA approval. Local zoning approval, will track concurrently with the CEQA approval. The schedule was recast in March 2016 to align with the City and Powers & Associates timeline for the EIR.



The PHCD team has slowed down the pace of the EIR so that the team has an opportunity to make modifications to the plan pursuant to input from the prospective developer partners. The objective is to complete the EIR work in the late summer. This has been timed to allow the PHCD team to include feedback provided by the development partner prospects. (Note: the developer may not have been selected, however, through the RFQ/RFP process, the team will be able to gather a great deal of information that will help to complete the EIR work). Provided the critique and changes are limited, the completion of the Draft EIR will be in August 2016 and the 45-day public review period will take place in September and October 2016 vs the August and September 2016 periods previously forecasted.

Provided the public review period occurs in the fall, the public hearings before the Planning Commission and City Council are now forecasted for February and March of 2017.

PHCD - PWC

Peninsula Wellness Community, CEQA, and Design Guidelines
 Budget and Cash Flow - Phase 3 (October 2015-March 2015)

Updated April 20, 2016

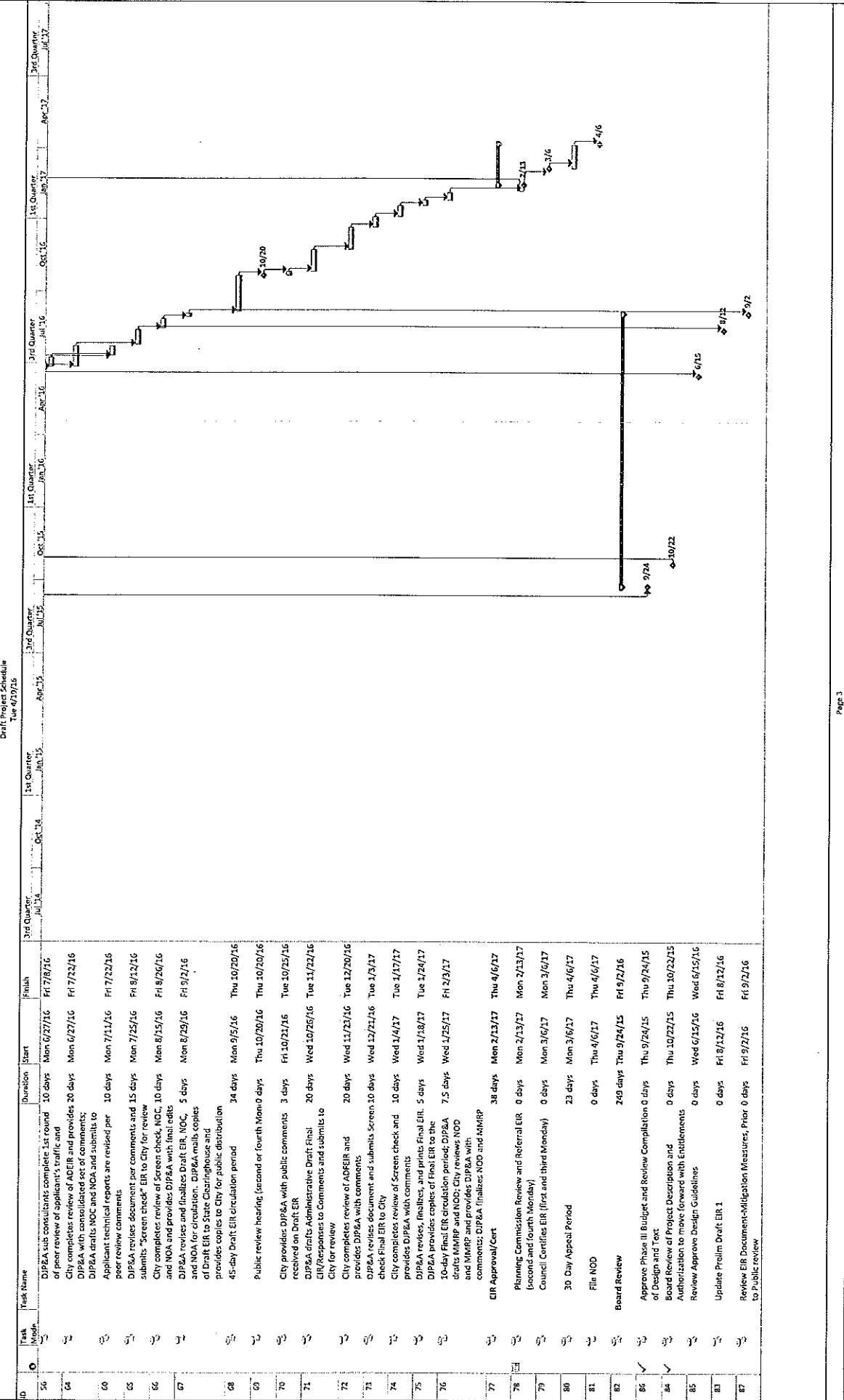
		Phase III Budget					
		Month	Base	Change Orders	Total	Paid To Date	Percentage In Place
Design							
	Master Plan Architect	Pinto Partners	190,000		190,000	126,076	66.4%
	Geotech	Rollo Ridley	20,000	(6,800)	13,200	-	0.0%
	Environmental Consultant (EIR)	Powers & Assoc.	197,990		197,990	98,995	50.0%
	Civil Engineer	BKF	77,000		77,000	32,086	41.7%
	Surveyor	Martin Ron	-	3,700	3,700	3,700	100.0%
	Phase I Environmental	SOMA	5,000	1,500	6,500	6,500	100.0%
	Traffic (sponsor advisor)	Fehr & Peers	25,000	18,560	43,560	32,095	73.7%
	Landscape	Toni Bava	55,000		55,000	-	0.0%
	Arborist		-	-	-	-	
			-		-	-	
			-		-	-	
Fees							
	Environmental CEQA Planning-City (35% of ESA)	City of Burlingame	69,297	5,065	74,362	74,362	100.0%
	Zoning	City of Burlingame	40,000		40,000	-	0.0%
	Design Review	City of Burlingame	50,000		50,000	-	0.0%
	Tentative and Final Maps	City of Burlingame	25,000		25,000	-	0.0%
Legal							
	Land Use	Carr McLennan	45,000		45,000	1,852	4.1%
	Contracts	Siegel	9,000	(9,000)	-	-	
			-		-	-	
			-		-	-	
Project Management							
	Project Management	Roos/PUDC	93,500		93,500	32,040	34.3%
	Outreach/Political	Hatheway	93,500		93,500	58,714	62.8%
	Financial Analyst	Musbach/Sedway	15,000		15,000	3,190	21.3%
			-		-	-	
Reimbursable							
	General reimbursable		41,250		41,250	3,868	9.4%
	Models and renderings		15,000		15,000	-	0.0%
Contingency							
		7.50%	75,940	(13,025)	62,915	-	0.0%
		Grand Total	1,142,477	-	1,142,477	473,478	41.4%

Proposed Changes to Line Items
16-Mar-16

Category	Vendor	Comments	Date	Change	Running Balance	Starting Contingency
Surveyor	Martin Ron	Hold over cost from Phase I	2/15/2016	3,700.00	72,240.44	75,940.44
Traffic (sponsor advisor)	Fehr & Peers	Higher than anticipated fee. Note, a portion of \$40,000 contingency within the Powers Associates fee will cover this	2/16/2016	18,560.00	53,680.44	
Environmental CEQA Planning-City (35% of ESA)	City of Burlingame	Due to inclusion of contingency of \$40,000 in Powers, the City Override increased	2/17/2016	5,065.00	48,615.44	
Contracts	Siegel	No need for Siegel's contract review for EIR work	2/18/2016	(9,000.00)	57,615.44	
Phase I Environmental	SOMA	1500 above estimate 6500 total	2/18/2016	1,500.00	56,115.44	
Geotech	Rollo Ridley	proposal was 6,800 under proposed budget	3/1/2016	(6,800.00)	62,915.44	
Total Proposed Changes				13,025.00		17%

Paid to Date	473,477.62
Ratio of Paid to Date	41%
Contingency to Date	13,025.00
Ratio of Contingency	17%

Peninsula Wellness Community Master Plan
Draft Project Schedule



**PRELIMINARY ORDER OF MAGNITUDE COST ESTIMATE
FOR CIVIL INFRASTRUCTURE
PENINSULA WELLNESS COMMUNITY
BURLINGAME, CALIFORNIA**

SUMMARY		TOTAL
ITEM	DESCRIPTION	
1	MOBILIZATION & TRAFFIC CONTROL	\$270,000
2	DEMOLITION ⁴	\$1,170,000
3	SITE IMPROVEMENTS ⁵	\$1,710,000
4	GRADING ⁶	\$1,140,000
5	UTILITIES	\$690,000
6	STORM WATER TREATMENT	\$330,000
7	CIVIL DESIGN	\$300,000
SUBTOTAL		\$5,610,000
23.5% CONSTRUCTION CONTINGENCY & SOFT COSTS		\$1,318,000
14.5% DESIGN CONTINGENCY & SOFT COSTS		\$813,000
APPROXIMATE TOTAL COST		\$7,740,000

GENERAL NOTES

1. Quantity takeoffs based on conceptual infrastructure and grading plans prepared by BKF, February 2016.
2. This estimate does not include:
 - a. Municipal development impact fees
 - b. Building and podium construction
 - c. Podium surface improvements
3. Mobilization and traffic control is estimated at 5% of construction costs. This project is not anticipated to require major shutdowns of public right of way.
4. Includes demolition of existing structures, surface features and utilities.
5. Site improvements include landscaping, paving, and other surface improvements for non-podium areas.
6. Grading cost is based on the following:
 - a. Full buildout of project will require approximately 115,000 CY of off-haul, but initial grading excludes any excavation for podium garages and will therefore require significantly less off-haul.
 - b. Initial grading includes bringing the entire site down to adjacent existing grades and/or future surface grades (particularly within the Hetch-Hetchy ROW) as applicable, and sloping the initial surface as needed to provide drainage in the interim condition.
 - c. Additional off-haul will be required for podium construction, which translates to an ultimate grading cost of roughly \$3,400,000.
 - d. Does not include any allowance for dewatering or handling contaminated soil.

BKF Engineers

255 Shoreline Drive, Suite 200
Redwood City, California 94065

Summary

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