



STAFF REPORT

AGENDA NO: 11a

MEETING DATE: May 19, 2025

To: Honorable Mayor and City Council

Date: May 19, 2025

From: Syed Murtuza, Director of Public Works – (650) 558-7230
Kevin Okada, Assistant Public Works Director – (650) 558-7230

Subject: Consideration of Broadway Grade Separation Project Update and Adoption of a Resolution Authorizing 65% Re-design of the Project and Allocating a Local Match of \$3.83 Million from the City's Capital Investment Reserve to the Street CIP Project Number 82540

RECOMMENDATION

Staff recommends that the City Council receive an update regarding the Broadway Burlingame Grade Separation (BBGS) Project and authorize staff to proceed with the 65% re-design for the Project. Staff further recommends that the City Council adopt the attached Resolution approving the re-design and authorizing a local match of \$3.83 million, as well as an allocation of \$3.83 Million from the City's Capital Investment Reserve to the Street CIP Project Number 82540.

BACKGROUND

On March 3, 2025, Caltrain presented four value engineering design options to the City Council, including proposals to revise the 65% design package. To significantly reduce project costs and ensure continued progress, the Council selected the 'no station' alternative. During the meeting, the Council also reviewed the funding requirements and remaining gap for updating the 65% design documents. The City Council directed staff to further refine the proposal to lower costs before authorizing additional funding for continued design work and early construction packages.

Between March and April 2025, representatives from Caltrain, the San Mateo County Transportation Authority (SMCTA), and the City of Burlingame collaborated to renegotiate contracts related to redesign, Construction Manager/General Contractor (CMGC) services, right-of-way (ROW) acquisition, and soft costs. The goal of these negotiations was to reduce the overall cost of reworking the 65% re-design package for the Broadway Grade Separation Project.

DISCUSSION

The project team is currently seeking funding to advance the 65% redesign phase. A subsequent funding request is expected in spring 2026 to finalize the 100% design documents and support early construction activities.

A detailed proposal outlining the scope of work for the Designer, CMGC, and Caltrain has been reviewed and negotiated. Since the March 3, 2025 project update, the estimated cost for the 65% redesign package has been reduced by approximately \$4.6 million, from \$19.9 million to \$15.3 million. This reduction reflects a \$1 million decrease in the design fee, as well as a \$700,000 reduction in Caltrain's costs, as well as deferred consultant activities such as testing for hazardous soil and materials until after the 65% design phase.

To support the next phase of work, the project team is requesting \$15.3 million in funding for early work packages such as the relocation of PG&E overhead lines and fiber optic communications infrastructure.

Estimated Project Expenditures:

The following are the estimated project design expenditures for the 65% Redesign & Early Work Package (all numbers in millions of dollars):

Designer	\$7.2 M
Construction Management-General Contractor (CMGC)	\$2.8M
Caltrain Soft Costs	\$1.3 M
Enabling Right of Way Activities	\$2.0 M
Internal Cost Allocation Plan (ICAP) 4%	\$0.5 M
Contingency (10%)	\$1.4 M
Total	\$15.3 M

As part of the review of projected total costs to complete 100% engineering design and early work packages, the total design cost is estimated at approximately \$55.2 million. This represents about 7.8% of the anticipated construction cost, aligning with industry norms, which typically range from 7% to 10% for projects of similar scale and complexity. The recent cost reductions reflect the best efforts to date, and staff will continue to seek further savings as part of ongoing project oversight and value engineering efforts.

In recent months, representatives from the City, the SMCTA, and Caltrain have held multiple meetings to negotiate a funding agreement to advance the project re-design and prevent further delays. As a result, Caltrain has committed to funding 25% of the redesign costs (\$3.83 million), with the City contributing an equal share. The remaining 50%—or \$7.65 million—will be provided by the SMCTA through Measure A funds. Additionally, Caltrain has agreed to contribute approximately \$700,000 toward right-of-way acquisition for the project.

FISCAL IMPACT

As outlined in the staff report, the City's share of the 65% redesign costs is \$3.83 million. Sufficient funds are available in the City's Capital Investment Reserve, which has been earmarked for the Broadway Grade Separation Project. An allocation of \$3.83 million from the Capital Investment Reserve to the Street CIP Project Number 82540 will be necessary, as provided in the attached Resolution.

Exhibits:

- Resolution
- Draft Letter for Funding Request to SMCTA