STAFF REPORT

AGENDA NO: 11a

MEETING DATE: August 17, 2026

To: **Honorable Mayor and City Council**

Date: **August 17, 2026**

From: **Chris Lamm, Director of Public Works – (650) 558-7230**
Kevin Okada, Assistant Public Works Director – (650) 558-7230

Subject: **Broadway Grade Separation Project Update and Adoption of a Resolution Authorizing Final Design of the Project and Allocating a Local Match of $2.4 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 Project and authorize staff to proceed with final design for the project. Staff further recommends that the City Council adopt the attached Resolution approving final design and authorizing a local match of $2.4 million, as well as an allocation of $2.4 million from the City's Capital Investment Reserve to the Street CIP Project Number 82540.

BACKGROUND

On July 6, 2026, Caltrain presented an update on the project and previewed the request for a $2.4 million local match to support the final design phase. The informational presentation included background on the project, an overview of the 65% redesign effort, and key changes such as the removal of the station and the temporary shoofly, along with a revised overall schedule. Caltrain also outlined the remaining pre-construction work needed to make the project shovel-ready, including utility relocations, geotechnical investigations, environmental remediation, and establishing new control points. In addition, they provided cost information for the final design phase along with the anticipated real estate acquisition expenses, such as environmental assessments, property appraisals, mapping, and property purchases.

An updated total project cost was not available at the time of the July meeting. The presentation also highlighted recent funding activity, including the submission of the Railroad Crossing Elimination Grant and input on the funding roadmap from the funding advocacy group. The City Council directed staff to prepare and summarize the total project cost for the next Council presentation, including identifying the funding sources and providing an update on the real estate approach and community engagement.

DISCUSSION

The project team is currently seeking funding to advance the final design phase. To support the next phase of work, the project team is requesting $2.4 million in funding for the final design.

Estimated Project Design Expenditures:
The following are the estimated project design expenditures for the final design (all numbers in millions of dollars):

Designer	$10 M
Construction Management-General Contractor (CMGC)	$4 M
Caltrain Costs	$8 M
Contingency (10%)	$2 M
Total	**$24 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 $63 million. This represents about 9.5% of the anticipated construction cost, which aligns with industry norms that typically range from 7% to 10% for projects of similar scale and complexity. The 65% design was estimated at approximately $662.5 million, assuming a 2028 construction start, four years of construction, and a 5% escalation. The recent cost estimates reflect the best available information to date; staff will continue to seek further savings through ongoing project oversight and work with the City's partners to refine the design scope of work.

By authorizing the final design, the project can maintain momentum and prepare to reach shovel-ready status. Projects of this size and magnitude are often challenging to fully fund, and the project team is exploring multiple funding strategies. If the project receives the Railroad Crossing Elimination Grant, the current funding gap is estimated at approximately $90 million. If the grant is not awarded, the funding gap increases to approximately $180 million.

FISCAL IMPACT

As outlined in the staff report, the City's share of the final design costs is $2.4 million. Sufficient funds are available in the City's Capital Investment Reserve, a portion of which has been earmarked for the Broadway Grade Separation Project. An allocation of $2.4 million from the Capital Investment Reserve to the Street CIP Project Number 82540 will be necessary, as provided in the attached Resolution.

Exhibits:
- Resolution
- Presentation