

Questions Received from Crestmoor Neighborhood Residents

City staff met with Crestmoor neighborhood residents on January 27, 2016 to discuss the neighborhood reconstruction project. Numerous questions were submitted following the meeting. Responses to questions received through February 2, 2016 are listed below followed by those received after February 2, 2016. All responses are posted on <https://sanbruno.ca.gov/gov/crestmoor/default.htm> and <http://www.rebuildcrestmoor.org/>.

1. Questions presented at January 27, 2016 Crestmoor Neighborhood Meeting

1a. CONSTRUCTION

Describe the upcoming scope of work in our neighborhood and if different than originally envisioned in conceptual drawings and renderings by BKF Engineers, explain why

The upcoming scope of work within the Crestmoor Neighborhood includes two proposed construction contracts. The first contract (Phase IV) will consist of work to replace: the existing curb, gutter, sidewalks; reconstruct and repave the streets; and to replace the streetlight system throughout the entire neighborhood. The second and last project within the neighborhood will be the construction of a new neighborhood park to replace the former Earl/Glenview Park. The park project will include replanting the upper portions of the Crestmoor Canyon with native plant materials.

During the early design development stages of the project, the City explored the addition of various streetscape and traffic calming measures. These consisted primarily of widened landscaped bulb-outs at intersections and along Glenview Drive, possible traffic circles, and enhanced paving in many intersections. As part of the City's review of these proposed improvements with the neighborhood, the City painted outlines of the proposed bulb-outs and traffic circles on the streets to garner feedback from residents. The overwhelming majority of the response from the neighborhood was opposition to the inclusion of bulb-outs. Reasons voiced included parking concerns, sight line concerns at intersections, and maintenance. The City heard loud and clear (in two separate community meetings on-site) that the interest of the community was to just build back the neighborhood "as-is" without bulb-outs. Given the overwhelming neighborhood objection to the bulb-outs/traffic circles as well as consideration of the future landscape and public works maintenance costs, the bulb-outs were eliminated from the design.

The inclusion of speed humps/bumps, swales or dips, and raised intersections were all evaluated but were taken out of consideration after discussion with the City's police, fire, and public services departments. Numerous studies have shown that these types of speed control devices are not desirable for many reasons including impacts to response times for emergency vehicles, increased noise for adjacent residences, increased wear and tear on commercial and residential vehicles, possible reduction in property values, drainage issues, and increased cost of maintenance. [See reference article: <http://www.radarsign.com/why-municipalities-are-moving-away-from-speed-humps/>].

- Will there be traffic calming measures throughout the entire neighborhood?

Traffic calming measures are included in the current design for the street reconstruction. These measures include enhanced colored pavement (pavers and/or stamped concrete) at the Earl/Glenview, Glenview/Claremont, and Claremont/Fairmont intersections. Also included are wide edge striping (fog-line) between the parking strip and the travelled way on Glenview Drive and possibly Claremont Drive. These wide edge stripes have proven successful at providing traffic calming benefits in other locations. Similar edge striping is in place on Crestmoor Drive south of San Bruno Avenue. The edge stripes provide a delineation between the parked cars and the main roadway and result in a narrowing effect to the driver that has a proven impact on vehicle speeds. Additionally, radar speed signs will remain in the neighborhood, possibly at new and added locations.

- Will there be bulbouts at intersections to prevent vehicles from parking on the radius of the corners?

No, see response above.

- Will there be landscaping on the bulbouts to improve the appearance of the neighborhood?

No, see response above.

- Will there be pavers to delineate all intersections for traffic calming, pedestrian safety and aesthetics?

Yes, as described above, enhanced pavement in the form of pavers or stamped concrete will be provided at the Earl/Glenview, Glenview/Claremont, and Claremont/Fairmont intersections. Crosswalks with widened colored bands will be a part of these intersections as well.

- Will there be traffic circles at major intersections for traffic calming (Glenview & Claremont and Glenview & Earl)?

No, traffic circles were eliminated from the design for the reasons described above.

- Will there be monument lights at all four entrances to the neighborhood?

Lighted monuments are not currently included in the proposed surface improvement project (Phase IV), but could be considered as part of the future Park Replacement project.

- Explain why neighborhood reconstruction projects have been delayed year after year. This is of concern since the annual budgeted “soft” costs are approximately \$3 million per year.

The primary reconstruction of the neighborhood began with the Phase II Utility Replacement Project. This project replaced the underground utilities within the “fire damaged” portion of the neighborhood. Unfortunately, during construction, the contractor accidentally hit a recently installed gas distribution pipeline in the street. This resulted in a shutdown of work, a re-evaluation of jobsite safety and implementation of redundant safety procedures. Additionally, extra construction oversight and inspection personnel were provided on site. This event and its aftermath resulted in delays to construction.

Bidding of the next construction project (Phase III Utility Replacement) was delayed to implement the safety procedures learned from the Phase II project and to assure that extra specifications, well beyond the standard specifications that are typically used for similar construction projects, were added to the contract documents to provide assurance that the work would be performed with the least impact and disruption to the community as possible. The Phase III project encountered several issues during construction that resulted in significant project delays. Foremost of these was the presence of unforeseen soils conditions encountered during trenching in the streets. The geology of the neighborhood is quite variable and consists of areas of cut (rock) and fill (softer soils susceptible to caving). The contractor also encountered many underground springs and perched levels of groundwater. These difficult soil conditions caused significant reduction in the contractor’s productivity, and added to the length of construction.

The addition of the Upper Sewer Lateral Replacement project that was requested by the neighborhood has also added over a year to the overall project schedule. This project has completed replacement of over 211 private upper sewer laterals throughout the neighborhood by a City contractor. Originally envisioned to include 163 laterals, an additional 48 owners elected to have the City perform the work. Unfortunately, having a City contractor perform work on private property creates numerous issues and concerns that must be mitigated and takes longer than private contractor’s work. A project involving separate and distinct surface restoration requirements in 211 different locations is complex and lengthy.

The City’s intention has always been to complete the sewer lateral project first before the start of the Phase IV Surface Restoration project. This approach is intended to avoid having two major contractors on site at the same time. The upper sewer lateral project is now near completion. The Phase IV project is in final design. The City is including alternative construction methods for the roadway reconstruction as part of the bid package. The alternative(s) include utilizing a pavement recycling process that is expected to greatly reduce the impacts (excavation, import of road base (rock) materials, vibratory compaction, dust, etc.) to the neighborhood

and should shorten the construction time. This option is being incorporated into the design and will be an alternative that the contractors will bid. The City will hold a pre-construction “open house” to inform residents of the specific schedule once the project has been awarded to a contractor. An update will be provided as the project gets closer to construction.

The start of the Phase IV project has been scheduled to allow for the construction of the new homes on the previously vacant lots to be nearer completion and be completed following the rainy season to minimize weather related disruption to the neighborhood. It is anticipated that the project will be advertised for bids in early March with construction scheduled to start in May 2016. This project will take about 9 months to complete (1st Quarter 2017) barring weather delays.

A meeting was recently held on February 2, 2016 to discuss planning and design of the new Earl/Glenview Park. This is the first of a few community meetings to discuss the design of the park. As part of the “visioning process”, input from the community is sought to help identify amenities, activities, and elements desired by residents of the neighborhood for a new park. The goal of this process is to develop a conceptual park plan that will be the basis for the preparation of construction plans for the new park. It is anticipated that the visioning and park conceptual design process will take from 6 – 9 months. Construction plans will be prepared in late 2016, with the park construction planned for the spring of 2017 upon the completion of the Phase IV roadway reconstruction project. The replanting of Crestmoor Canyon will be included as part of the park replacement project.

- What is the delay in putting projects out to bid?

See response to the immediate question above.

- Provide an updated schedule for both neighborhood and CIP construction projects with beginning and ending dates

An updated project schedule has been provided on the Rebuild Crestmoor website.

- Provide cost for each construction project (streetlights, sidewalks/curbs, storm drains, streets, park and CIP projects)

The Phase IV project is currently estimated and budgeted to cost \$8.5 million. The exact cost will not be available until the construction contract is bid and awarded in April. The budget for construction of the new Earl/Glenview Park is \$1,750,000.

1b. OPERATING BUDGET

- What services are covered by the Professional Management and Inspection charge?

Project Management Services, as described in the contract include:

- *Provide assistance to the Director of Public Services as requested related to issues involving the rebuilding efforts of the Glenview community.*
- *Provide assistance to the City in the evaluation of infrastructure issues including replacement and upgrades to current standards.*
- *Evaluation of engineering studies, reports, and cost estimates.*
- *Assist the City in the selection and management of engineering and other professional consultants.*
- *Assist in the interface between the Public Services Department and other City departments involving issues related to the Glenview community rebuilding efforts. Provide assistance to other departments as necessary.*
- *Research and review applicable documentation, correspondence, and records as required to fully understand the project requirements.*
- *Attend meetings with City staff to determine strategies (political, economic, technical, etc.) for discussion and negotiation throughout the process and to identify logical 'next steps'. This may include preparation of flow charts, exhibits, reports, spreadsheets, and presentations.*
- *Meetings and discussion with City staff and other outside agencies regarding the rebuilding requirements.*
- *Coordination with the City staff regarding public communication and public information/relations efforts.*
- *Site visits and meetings with homeowners, neighborhood groups, other stakeholders and representatives.*
- *Provide analysis and modeling of potential infrastructure financing mechanisms, strategies, and options (in the event that it may be desired to phase some of the improvements).*
- *Provide procedural oversight to the project team with a consistent focus on streamlining the approval process and minimizing project costs.*
- *Document key events and actions and prepare action lists (with tasks and date responsibility) for various entities to expedite the project as necessary.*
- *Coordinate and prepare written responses to letters and correspondence including the assembling and preparation of technical and graphical exhibits as requested by the City.*
- *Assist and/or prepare staff reports and presentations for City Council or other public meetings.*
- *Provide other professional consulting services as determined necessary and authorized by City of San Bruno.*

Construction Contract Management and Construction Inspection Services, include:

- *Provide fulltime construction inspector(s) on-site at all times when City contractors are performing work on the project.*
- *Provide daily inspection reports noting the contractor progress, manpower,*

- procedures, and safety measures*
- *Maintain proper documentation including daily diaries, photographs, records, material compliance and submittals*
- *Inspect all construction facilities prior to burial and review backfill compaction testing results performed by others*
- *Provide assistance and direction to technicians performing materials testing*
- *Provide homeowner interface in coordination of sewer laterals, water services, streetlight replacement, dust control during construction, access, and public notifications*
- *Review and monitor the Contractor's approved construction schedule and amendments thereto.*
- *Require, monitor and document compliance with the Contract Specifications, including the Health & Safety Plan and SWPPP Plan, and all other requirements.*
- *Chair pre-construction meetings and weekly progress meetings*
- *Create and maintain a Submittal Log for all documents, Plans (i.e. Health & Safety Plan, SWPPP Plan, etc), materials and equipment "submittals" required by the Plans and Specifications. Assist in the review and tracking of all "submittals". Prepare*
- *Respond to contractor for each "submittal" for City signature.*
- *Review contractor performance*
- *Provide assistance and direction to technicians performing materials testing*
- *Measure the work completed in-place to verify quantities*
- *Prepare Statement of Working Days*
- *Prepare SWPPP/BMP Inspection Record*
- *Ensure contractor complies with permitting requirements*
- *Review invoices from the Contractor; prepare construction field directives*
- *Review, prepare and process Change Orders*
- *Prepare (with City review) project correspondence and maintain correspondence log*
- *Review traffic control measures, including placement of traffic control devices*
- *Respond to questions and concerns from the general public regarding assigned projects; provides information as is appropriate and resolves complaints; investigates complaints or claims against the City.*
- *Review with contractor and City all items requiring corrective action.*
- *Develop "Punch List" for the City and monitor corrections made.*
- *Create and maintain project files for archiving*
- *Perform project closeout functions for the City as detailed in the project specifications*
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- Are the attorneys still needed to represent the City at CPUC proceedings?

Yes, the City is continuing to participate in proceedings before the CPUC. That participation is much more limited than in previous years and is

continuing to decline. The current proceedings at the CPUC include an investigation related to PG&E' violation of exparte communication rules and an investigation of PG&E safety culture and practice.

- Will the public relations and media support firms continue to be on retainer?

Yes, the public relations firm working with the City continues on a limited basis as needed to assist the continuing work at the CPUC.

- What are the informational materials that are documenting the City's story?

A number of press releases, presentations, photographs and other materials have been produced by the City over the last several years.

- What is the NTSB monument?

The City considered, but has not proceeded with creating a small monument or plaque to present to the NTSB in appreciation of the comprehensive and thorough work that the NTSB did to investigate and determine the causes of the devastating 2010 PG&E gas pipeline explosion. That work that occurred over the entire year beginning on September 10, 2010 and culminated with presentation of the final NTSB report on August 31, 2011 which conclusively demonstrated the numerous failures of PG&E to manage and operate a safe gas pipeline system and the failures of the California Public Utilities Commission to provide proper regulatory oversight.

- Explain why \$55,253 for the initial establishment of the San Bruno Community Foundation was deducted from this fund.

The San Bruno Community Foundation Board of Directors was appointed by the City Council in October, 2013. For approximately 3 months, beginning in December, 2013, the City worked with the Board to provide training and orientation on the functions of the Board and the relevant legal and operating requirements. The Board held its first regular meeting in March, 2014. Costs for the initial establishment, orientation and start-up of the Foundation during the period December, 2013 through mid-March, 2014 were charged to the Trust Fund as a cost incurred by the City for work associated with the 2010 explosion. Costs for the Foundation's operation and its initiatives beginning in March, 2014 have been paid by the \$70 million Restitution Settlement Fund.

- Explain why \$299,864 for RDA transfers to the City that were disallowed by the State of California were deducted from this fund

See response to Question #6 below.

- The budget presented on 03/11/14 shows \$878,000 for waived fees. If the fees are waived, why are they charged to this fund?

Development service fees charged by the City are intended to cover the City's costs for providing support to project applicants, review of projects and the approval process. The City did not charge residents of the Crestmoor neighborhood these standard development fees for projects to repair or replace homes that were damaged or destroyed in the explosion and fire. While the fees were waived for residents, the City incurred the costs associated with the services provided. The fees that would have otherwise been charged to residents were paid to the City through the Trust Fund.

- Was the profit from the sale of three City owned lots to Castle Company, Inc. credited to the reconstruction fund?

The City received \$68,750,000 and five vacant lots (with the value of \$250,000 each) in the restitution settlement negotiation with PG&E in 2012. Three of those five lots were sold to Castle Co. at the amount of \$415,000 each. Because the lots were part of the \$70 million restitution settlement, funds from the sale of the three lots (\$1,245,000) were transferred to the Restitution Settlement Fund. The remaining two lots that were obtained through the settlement (Trust Funds were not used for their purchase) have been retained by the City for potential use to expand the area available for replacement of the Earl/Glenview Park.

- Who is the trustee for this fund and who does he/she report to?

The Trustee is Michael Garvey. He is the former City Manager of the City of San Carlos. Mr. Garvey is an independent trustee whose fiduciary responsibility is solely to the Trust to assure that reimbursements from the Trust are consistent with the intent and the requirements of the Trust Agreement.

- The 2015-2016 Operating Budget indicated (pg. E-75) "Amounts are reimbursed to the appropriate City funds when received from the trust fund."
 - That same budget state (pg. A-14) " a total of \$5,148,382 for reimbursement of full time City employee salary and benefits costs that represent the time spent by City employees in all City departments on activities directly related to disaster response and recovery over the past 4-1/2 years since the explosion. This amount will represent a one-time unallocated revenue to the City once it is reimbursed to the City in the coming weeks."
 - The 2016 State of the City states "the City Council has decided to supplement its annual funding for neighborhood street repairs over the next couple of years by adding \$3 million to our street repair program using funds we received as reimbursement for the staff time required to respond to the ongoing community needs related to the 2010 PG&E explosion and fire."

- Explain why the funds are unallocated and can a portion be used for construction in our neighborhood?

This classification is due to a timing issue. If the funds were reimbursed in the year that they were expensed it would have been labeled a payroll reimbursement. However, staff was delayed in submitting the staffing costs for reimbursement due to workload and staffing changes. During that time the previous years were closed, audited, and financial statements were issued. We cannot record the reimbursement against a prior year that has been closed therefore the amount that was reimbursed was described as unallocated.

The City Council has provided direction that the unallocated general revenues should be used to supplement the City's annual Pavement Rehabilitation Program. As discussed elsewhere in this document, approximately \$30 million is being used for the direct benefit of the Crestmoor 2 neighborhood.

1c. CIP BUDGET

- The City has allocated \$6 million from the reconstruction fund for the rebuilding of Fire Station #52. Since this station is used by more than just our neighborhood, explain why other funding sources are not being utilized

On April 22, 2014 staff presented a report identifying potential projects that benefit the Crestmoor neighborhood, should there be any additional funds available after the repair and reconstruction of the previously identified projects within the neighborhood. At that time, it was anticipated that there may be funds might be available in the Trust following completion of the neighborhood rebuild and other activities funded through the Trust. This presentation was made for planning purposes only and there was no commitment that any of the projects discussed would be for certain be completed. These potential projects included replacement of Fire Station #52, replacement of trees along the Sneath Lane Corridor, Crestmoor Canyon Fire Safety Improvements and Trail, Crestmoor Canyon Erosion Repairs, and Traffic Signal Priority System.

Based upon the latest budget forecast, and factoring in the anticipated escalation of construction costs for the remaining Phase IV Surface Restoration and Replacement Glenview/Earl Park projects, it is not currently anticipated that there will be adequate funding to perform any of the potential projects previously identified (including the replacement of Fire Station #52) in the April 22, 2014 City Council report.

- Explain why the trees on Sneath Lane are being replaced rather than being trimmed

The replacement of the trees along the Sneath Lane corridor was one of the additional projects referred to above. The project envisioned included the

removal of the Eucalyptus trees and replacement with a native species (e.g., coast redwood, etc.). As previously stated, at the time these projects were considered, it was clear that they would only be undertaken if funding was available. Based upon the latest budget forecast, and factoring in the anticipated escalation of construction costs for the remaining Phase IV Surface Restoration and Replacement Glenview/Earl Park projects, it is not currently anticipated that there will be adequate funding to undertake this work. However, the City did commit to a program of tree trimming and removal of diseased trees along the corridor. This work was completed prior to the end of calendar year 2015. The City, as part of its ongoing urban forest management program, will continue to monitor the tree conditions for hazards and tree damage and perform the required maintenance and removal as it does throughout the entire City.

- Why has the Traffic Signal Priority Control System charged against this fund?

See response above. Based upon the latest budget forecast, it is not currently anticipated that there will be adequate funding to undertake this work.

- Explain why \$20,000 from this fund was used for the City Website Upgrade project when the money was available from the Technology Fund and technology fees. This fund was previously charged \$10,000 for the rebuildcrestmoor.org site

The comprehensive City website upgrade project was completed using funds from multiple sources. The City website is an important resource and repository for information related to a variety of City programs and activities, including issues and activities related to the 2010 explosion and fire. Trust Funds were used as one of the multiple sources of funds needed to cover the costs for this project.

2. We noted that city staff took many trips around the county and county to discuss pipeline safety. Were any of the expenses of these trips billed to the PG&E Trust Fund including time, travel, food and lodging? If so, how did it directly benefit any of the residents of Crestmoor 2?

The Trust Agreement explicitly includes the City's costs for travel associated with pipeline safety and investigative activities related to the 2010 explosion among those costs that are eligible for reimbursement from the Trust. In the days immediately following the explosion, the City was asked to be a party to the National Transportation Safety Board (NTSB) investigation. A significant portion of the travel expenses were incurred as part of the City's work in coordination with the NTSB and other parties on the investigation. That comprehensive investigation resulted in the strong and compelling conclusion that PG&E's negligence and violation of numerous pipeline safety regulations in operation of Line 132 was the primary cause of the explosion. That investigation not only ruled out some other potential contributing causes of the explosion that might have complicated and delayed settlement of the lawsuits against PG&E, but conclusively demonstrated that PG&E was responsible.

3. On March 12, 2012, the City and PG&E entered a settlement agreement for \$68,750,000 cash and 5 lots valued at \$1,250,000 (5 x \$250,000) equaling \$70 million.

Castle Companies, Inc. purchased 7 lots owned by PG&E and 3 of the 5 lots that were part of the above agreement for \$415,000 each. The \$1,245,000 for the 3 City-owned lots goes to the Community Foundation which when added to the \$68,750,000 cash totals \$69,995,000.

The remaining 2 City-owned lots along with Bullis's lot will be used for public purposes.

City Council Agenda Item Staff Report dated 10/28/14 regarding this sale states the following:

"Closing costs and other City costs associated with the development of the ten vacant lots that are not covered by standard City Building and development fees will be paid from the Trust Fund established by the City and PG&E for work to rebuild the Crestmoor neighborhood."

Please detail the type and amount of all of these costs.

No costs have been reimbursed from the Trust Fund related to sale or development of the three lots that the City sold to Castle Co.

4. Why has the city spent more money on PR, Lawyer fees and double dipped wages then First putting Crestmoor 2 back together as promised???? That should have been the first priority! Why did the city take it's time to rebuild? Why has the City raided the rebuild fund to it's advantage? How can you let this happen to the part of the city that made San Bruno Rich by the tragedy of "Crestmore 2 " and it's residents?

The Trust Fund was established to cover, among other City costs, costs arising from, associated with and required by the response to, and recovery from the 2010 PG&E gas pipeline explosion. The Trust Agreement that outlines the type of City costs that are eligible for reimbursement is posted on the City website. Among the costs that were specifically identified for reimbursement are costs for City staff time and for legal and consulting services. The costs associated with response and recovery efforts to any disaster are not routine or normal city costs and they very typically significantly exceed costs associated with the normal scope of work for a City. The response to the PG&E explosion overwhelmed the City of San Bruno's resources. City staff worked tirelessly to not only complete some routine activities but to also respond to the increased workload that the disaster created. During the first several months following the disaster most of the City's work effort focused almost solely on response to the disaster.

Many disasters of this magnitude would be eligible for Federal Emergency Management Agency (FEMA) cost reimbursement financial assistance. However, since the explosion was caused by a private company (PG&E) and that company ultimately agreed to pay for the damage caused by the explosion the City of San Bruno did not receive FEMA financial assistance. Therefore, the funds received from PG&E to cover the damage from the explosion were intended to cover the necessary staff time needed for the recovery efforts. The City has placed a highest priority on the physical rebuild of the damaged area, and beyond that, on making infrastructure improvements throughout the entire Crestmoor 2 neighborhood. To date, the City has been reimbursed \$29,554,176 from the Trust Fund. Of this amount, \$16,615,918 has been reimbursed for reconstruction and improvements in the neighborhood. Additional costs of approximately \$2.623 million have been incurred and are pending submittal for reimbursement. Over \$10 million in additional reconstruction and improvement costs are planned and budgeted.

See the response to question 1a. above regarding the time for the to rebuild effort.

I am disgusted with the city officials who drained the Crestmoor 2 rebuild fund! The Neighbor should have been the priority not the city! We're now being told there may not be enough money left to complete the projects promised to us!

Sham on You San Bruno City Officials!

All of the neighborhood reconstruction and improvement projects that have been "promised" will be completed. This works includes replacement of curbs, gutters, sidewalks and streetlights, replacement of the former Earl/Glenview Park and replanting at the mouth of the Crestmoor Canyon.

As discussed above in the response to Question #1c, several other projects were discussed, but for consideration to complete if funds were available. These projects were not "promised".

5. The most recent **Comprehensive Annual Financial Report** on the City website is for the fiscal year ending **June 30, 2014**. Page 72 of that report shows the following transfers:

TRANSFER FROM	TRANSFER TO	AMOUNT
PG&E Emergency Disaster Reimbursement	Water Fund	\$1,465,773
PG&E Emergency Disaster Reimbursement	Wastewater Fund	\$1,208,199
PG&E Emergency Disaster Reimbursement	Stormwater Fund	\$ 475,960
TOTAL FUNDS TRANSFERRED		\$3,149,932

Please explain the details and dates of these amounts.

These are Accounting entries to record the projects in the Crestmoor Neighborhood Reconstruction (Phase III Utility Replacement project) that were paid for by the Trust to the correct Funds. For example if a water line was replaced this needs to be recorded in the Water Fund. Accounting standards require that when the asset/expense is recorded in the correct fund the offsetting reimbursement must be moved also.

Once the funds were transferred, how was the money allocated?

As stated above, this is an Accounting entry transferring the asset that was paid for in the Trust fund to the correct fund. There was no excess revenue available to allocate.

Also, when can the residents of San Bruno expect the CAFR that reflects actual expenditures for the fiscal year ending June 30, 2015?

The City's 2015 CAFR was approved by the City Council on February 9th and it is now available on the City's website.

6. The PG&E Trust Reimbursement Expenditure Summary dated May 15, 2015 lists \$299,864.000 for “Funding for Capital Improvement Program (CIP) project transfers disallowed by the State of California Controller’s Office during Asset Transfer Review as part of the San Bruno Redevelopment Agency (RDA) dissolution.”

The projects in question were median rehabilitation (landscaping, irrigation, pavers and gateway signs) and pedestrian enhancements (curb ramps, signalized intersections and refuge islands) along El Camino Real which has nothing to do with our neighborhood. The State Controller ordered the City to turn over the above amount to the Successor Agency. Rather than taking it from the fund to which it had been originally deposited, it was reimbursed from the PG&E Trust Fund. Please explain.

The response and recovery efforts to the PG&E pipeline explosion on September 9, 2010 delayed many ongoing City operations. There was significant delay to the City Council approval of the 2010-11 Capital Improvement Budget which did not occur until February 22, 2011 (the prior year’s capital budget was approved eight months earlier on June 23, 2010). Consequently, securing design and construction contracts for the projects planned to be funded through the Redevelopment Agency were delayed. Contracts related to the El Camino Real Phase I Median and Pedestrian Improvements Project and the Accessible Pedestrian Ramps at Various Locations Project were not in place by the last allowable day under the Redevelopment Dissolution Act which was June 28, 2011. The \$299,900 lost was a direct result of the City being diverted from its annual budget schedule and work program due to the pressing need to focus the City work effort on activities related to the Crestmoor neighborhood and disaster recovery.

The State also disallowed \$186,852 “to pay interest towards city /RDA loans”. Has that amount also been reimbursed from the trust fund and why?

No. The \$186,900 in interest earnings reflects monthly transfers to the General Fund in 2011. The General Fund earning interest on funds advanced to the RDA had been in place for many years and was unrelated to the PG&E explosion.

7. There seems to be a problem with the info@rebuildcrestmoor.org site as it is not giving an automatic response that the message was received by the city. Would you please check this for us?

The Rebuild Crestmoor website is not configured to give an automatic response acknowledging receipt of an incoming message. In the coming months, the City will incorporate the Rebuild Crestmoor site into the City’s new website. All of the features and information currently available will be transferred to the City website. The City will explore adding an auto-reply to incoming messages on the new website. All inquiries can still be sent to info@rebuildcrestmoor.org

8. I attended the January 27th meeting and have the following concerns:

8a. I was upset to learn that the city was using our fund to pay it’s employees. We already pay taxes and should not pay twice. The city needs it’s employees to take care of problems as they arise and not expect individuals to pay for services they need. I feel that money should be given back to the fund.

See response to Question #4

8b. My next question is the properties the city sold to Castle Construction Company. Castle paid the city over \$200,000 more than the city bought those properties for. That profit should go to the Crestmoor Fund and not to the general fund. Where did that money go??

See response to Question #3

8c. I have respect for Mayor Jim Ruane, but I was he disappointed me at the meeting. Jim Ruane said very little until a light went off in his head and he came up with a cost cutting BAD idea. The Mayor suggested patching the sidewalks instead of replacing them. I believe patching the sidewalks was discussed prior and he was waiting for a right time to interject the idea. His suggestion was awkward and did not flow into the conversation. Please have more respect for the residents of Crestmoor 2.

Mayor Ruane's comment was merely a possible idea to explore as a means to address the neighborhood concerns about the disruption, schedule and costs associated with reconstruction and improvement of the neighborhood. It was not a suggestion or a recommendation. In many others areas of San Bruno (as well as other Cities), when new utilities are constructed across existing sidewalks, only those areas of sidewalk are replaced. Neighborhood residents in attendance at the January 27th meeting expressed strong support for full replacement of the sidewalks throughout the neighborhood to be completed. The City plans to replace all of the sidewalks within the Crestmoor Neighborhood as part of the upcoming Phase IV Surface Replacement Project.

8d. I and my husband and daughter walk 4 small dogs twice a day. Crossing the streets is dangerous. Pavers should be at EVERY crosswalk. Pedestrians should be able to cross the street at every corner and it should be designated by pavers. Dips should also be considered to slow traffic especially on larger streets such as Plymouth and Claremont and Earl.

Enhanced colored pavement (pavers and/or stamped concrete) are planned at the Earl/Glenview, Glenview/Claremont, and Claremont/Fairmont intersections only. At all intersections, the rebuilt sidewalks will include ADA ramps with raised "truncated domes". While not typical of most intersections in residential areas, the City can explore the addition of painted crosswalks at these locations. Providing enhance pavement at every intersection in the neighborhood has several drawbacks including initial cost, long term maintenance costs, and drainage issues. Traffic calming measures include the addition of edge (fog-line) striping between the travelled way and the parking strip as further described in the response to Question #1a.

8e. I cannot believe the city expects the firehouse to be paid out of the Crestmoor fund. The firehouse serves ALL of San Bruno and not just Crestmoor2. I also feel 6 million dollars is a lot of money to house 3 fire personnel!

Replacement of Fire Station #52 was one of the potential projects referred to in Question 1c. above. As discussed in that response, at the time these projects were considered, it was clear that they would only be undertaken if funding was available. Based upon the latest budget forecast, and factoring in the anticipated escalation of construction costs for the remaining Phase IV Surface Restoration and Replacement Glenview/Earl Park projects, it is

not currently anticipated that there will be adequate funding to undertake the replacement of Fire Station #52.

8f. My next Concern is Crestmoor Canyon. We have been in our home on Claremont for 46 years. During that time the city has done nothing to maintain the integrity of the canyon. The Eucalyptus trees have grown and spread over 40 feet from Sneath Lane since we moved in. They are a fire hazard and could have also destroyed Crestmoor 1 had the fire come up the canyon during the PGE explosion. We talk about the many springs throughout the development. The water from those springs run underground to the Canyon and I have erosion and slippage of the cement in our yard. We have done all that we can to try to keep the runoff from taking our back yard. It's time the City takes responsibility for the erosion before damage occurs.

A geologic and geotechnical study of the entire Crestmoor Canyon area was undertaken in 2008. Additionally, the City recently engaged another firm (Treadwell Rollo) to perform an updated peer review of this study and provide comments. Although there exist several areas of the canyon that have erosion concerns, in none of these areas has there been any springs or groundwater identified as a contributing factor. Surface water runoff was identified as the major contributor to the observed localized erosion. Additionally, many of the homes along the canyon are over 50 years old. Many of these homes have small retaining walls as part of the backyard improvements. The functional age of these walls are typically 25-30 years. Failure of these individual private retaining walls are contributing to the movement of owner's flatwork and other backyard improvements. It is not being caused by large scale movement of the canyon slopes.

8g. My final concern for now is all the travel the Mayor and other city employees did after the explosion. It seems the NTSB should have covered expenses to have you testify. If you are concerned with other areas of the city having the same horrid experience then that travel money should again come out of the general fund if the NTSB did not cover it. Taking PGE on after the settlement does not benefit Crestmoor 2--we already blew up. We should see an accounting of money taken out of the funds--hotels, meals, travel, etc. and for how many people.

See response to Question #2 that outlines the purpose and the benefit of the travel costs funded through the Trust Fund. The NTSB does not cover the travel or other costs that parties to investigations incur.

Thank you and I look forward to having these issues and other issues other residents might have at our next meeting

- 9.** The PG&E Trust Reimbursement Expenditure Summary dated May 15, 2015 lists \$55,252.77 for "Costs related to the Initial establishment of the San Bruno Community Foundation (SBCF) Not-For-Profit."

Were those costs for the paperwork related to the establishment of a not-for-profit organization?

See response to Question #1b.

Why were those fees paid by the PG&E Trust Fund and has the Community Foundation reimbursed the Trust Fund?

See response to Question #1b.

- 10.** The PG&E Trust Reimbursement Expenditure Summary dated May 15, 2015 lists \$765,361.28 for waived fees.

Since that report is 8 months old, please provide an updated total along with the type and amount of the fees (building permits, electrical permits, mechanical permits, plumbing permits, inspection fees, planning fees, etc.) and the fiscal years when all were reimbursed from the Trust Fund?

The detailed information requested in this question needs to be assembled from voluminous records and requires review of each individual permit each individual permit. The City is available to work directly with the person asking this question to make the records available.

Are these same fees being waived for the 10 homes being constructed by Castle Company, Inc.?

No, Castle Co. is paying all of the normal development and inspection fees associated with their development of their 10 lots.

- 11.** Why is the canyon behind the 1400 block of Claremont drive beginning to look the city dump with giant mounds of dirt with tarps over them? What are these mounds? How can I be sure that those mounds don't have some sort of toxins??

City Public Works crews have used this area for temporary storage of materials used in the maintenance of streets and utilities throughout the City. The material consists primarily of aggregate base (rock) for the backfill of trenches within roadways. This material will be removed.

- 12.** After attending the January 27th meeting at City Hall, I would appreciate the following questions to be answered:

12a. Can you please explain which city employees received overtime compensation for work done associated with the PG&E explosion.

There were large number of front line public safety, public works (maintenance, water and wastewater services) and other employees across the organization who received overtime compensation in the weeks immediately following the explosion. Their services included incident response, cleanup and immediate infrastructure repairs, support to resident access to the fire damaged area of the neighborhood, security, etc. (Department Heads and Mid-Management staff who also worked long hours over many weeks providing direct services to the Crestmoor 2 neighborhood do not receive overtime.) More recently there has been little cost for overtime except for overtime worked by the Police Detective who is assigned full time to the US Attorney team that is preparing the criminal case against PG&E. This has been a demanding and sustained work effort over about the past three years. The US Attorney team has acknowledged the critical importance of the work being done by the City's Detective associated with this case.

12b. Can you please give the amounts each city employee received as a result of this overtime compensation.

This information is very time consuming to assemble. The City is available to work with the person asking the question to review City overtime records.

13. Describe the upcoming scope of work in our neighborhood and if different than originally envisioned in conceptual drawings and renderings by BKF Engineers, explain why

13a. Will there be traffic calming measures throughout the entire neighborhood?

13b. Will there be bulbouts at intersections to prevent vehicles from parking on the radius of the corners?

13c. Will there be landscaping on the bulbouts to improve the appearance of the neighborhood?

13d. Will there be pavers to delineate all intersections for traffic calming, pedestrian safety and aesthetics?

13e. Will there be traffic circles at major intersections for traffic calming (Glenview & Claremont and Glenview & Earl)?

13f. Will there be monument lights at all four entrances to the neighborhood?

This question appears to be an exact duplicate of information requested and responded to in Question #1a.

14. That 2015-2016 Operating Budget states (pg. A-14) “a total of \$5,148,382 for reimbursement of full time City employee salary and benefits costs that represents the time spent by City employees in all City departments on activities directly related to disaster response and recovery over the past 4-1/2 years since the explosion. This amount will represent a one-time unallocated revenue to the City once it is reimbursed to the City in the coming weeks.”

The that same budget states (pg. E-71) "Costs for this staff time will be submitted to the trust fund for reimbursement and credited back to the City's funds to ensure that taxpayer funds are not paying for this work effort."

Also in that budget (pg. E-75), “Amounts are reimbursed to the appropriate City funds when received from the trust fund.”

Explain why the money is being classified as unallocated revenue when it was a payroll reimbursement.

See response to Question #1b.

The 2016 State of the City states “the City Council has decided to supplement its annual funding for neighborhood street repairs over the next couple of years by adding \$3 million to our street repair program using funds we received as reimbursement for the staff time required to respond to the ongoing community needs related to the 2010 PG&E explosion and fire.”

See response to Question #1b.

Is this a portion of the \$5,148,382 unallocated revenue?

Yes the \$3 million is the amount that was reimbursed to the General Fund for staff time.

What are the plans for the remaining \$2,148,382 of unallocated revenue?

The remaining amount is reimbursement for staff time that was charged directly to the Trust and for the City's Enterprise Funds (Water, Sewer, Stormwater, and Cable).

Why did the City wait 4-1/2 years to request reimbursement of employee salaries and benefits?

As mentioned previously, the explosion caused an increase in workload and there were several changes in key staff members that caused the reimbursement to be delayed.

- 15.** Please provide a breakdown of services and costs associated with the "Project Management and Inspection Services" charge that is budgeted annually at \$750,000.

See response to Question 1b.

- 16.** The Operating Budget lists \$800,000 annually for "Costs associated with representing the City at CPUC proceedings and non-profit formation."

Did the City approve a contract with Meyers Nave for legal services related to the September 9, 2010 PG&E gas line explosion and what was the amount and duration of that contract?

Yes, the City contracted with the Meyers Nave law firm to provide assistance with a broad variety of legal issues associated with the explosion. Fees are charged on an hourly basis and the contract does not have a fixed end date. The services provided by Meyers Nave have included assistance in establishment of the Trust Fund and negotiation of the \$70 million restitution settlement between the City and PG&E.

How much longer will their services be needed?

The legal work effort associated with the explosion has declined significantly. Services are used on an as needed basis. Meyers Nave is currently representing the City as a party to 2 on-going investigations.

- 17.** The Operating Budget lists \$200,000 annually to "Develop informational materials to document and tell the City's story".

What are these informational materials?

See response to Question #1b.

Where are they being distributed?

Press releases have been distributed at various times to the media. Informational materials are posted on the City website. Presentations have been prepared and made at a variety of government official, industry, regulatory organization, industry and pipeline safety organization conferences and meetings.

- 18.** The Operating Budget lists \$15,000 annually through FY 2014-2015 for "NTSB Recognition Monument".

What warranted this type of recognition?

See response to Question #1b.

What form of monument is it (sculpture, plaque, etc.) and where is it located?

See response to Question #1b.

What amount was reimbursed from the PG&E Trust Fund for this project?

See response to Question #1b.

- 19.** On April 22, 2014, Harry Burrowes presented the City Council Agenda Item Staff Report "Adopt Resolution Approving Reconstruction Projects in the Crestmoor Area". The report indicated that over \$11 million would be available for additional projects and after numerous meetings and feedback, the following projects were selected for development:

Crestmoor Canyon Fire Safety Improvements and Trail	\$1,900,000
Crestmoor Canyon Slope Stability Repairs	\$3,000,000
Fire Station No. 52 Replacement	\$6,000,000
Maintenance Fund for Park/Landscaping	\$500,000
Plymouth Way/Sneath Lane Corridor Tree Replacement	\$1,200,000
Traffic Signal Priority Control System	\$350,000
Total	\$12,950,000

If funding was still available through the Trust, the following second tier projects would be considered to proceed:

Crestmoor Canyon Storm Water Basin	\$3,000,000
Skyline Waterline Connections	\$750,000
Sneath Lane Waterline Replacement	2,175,000
Total	\$5,925,000

On May 27, 2014, Harry Burrowes presented the City Council Agenda Item Staff Report "Adopt Resolutions Authorizing the City Manager to Execute Contracts for Professional Services for Additional Projects in the Crestmoor Area;

- Resolution Approving a Contract with MIG, Inc. for a Not to Exceed Amount of \$48,500 for Planning and Biological Assessment Services for Crestmoor Canyon

- Resolution Approving a Contract with Langan Treadwell Rollo for a Not to Exceed Amount of \$157, 500 for Geotechnical Investigations and Engineering for the Crestmoor Canyon Slope Repairs and Fire Station No. 52 Reconstruction
- Resolution Approving a Contract with Wilsey & Ham for a Not to Exceed Amount of \$56,800 to Provide Expanded Base Mapping and Topographic Surveying within Crestmoor Canyon

At the neighborhood meeting on January 27, 2016, City Manager Connie Jackson announced that all the additional projects had been cancelled due to insufficient funds.

If this is not the case, which projects are proceeding and detail the source or sources of funding.

On April 22, 2014 staff presented a report identifying potential projects that benefit the Crestmoor neighborhood, should there be any additional funds available after the repair and reconstruction of the previously identified projects within the neighborhood. At that time, it was anticipated that there may be surplus funding available. At no time during these discussions was it ever intimated that these projects would for certain be performed. In fact, the discussion included the fact that there was not a guarantee that the Trustee would agree that these projects met the intent of the Trust and would be eligible for inclusion.

To better ascertain the scope and budgets for the potential projects (the costs presented to the City Council and summarized above are order of magnitude estimates), on May 27, 2014, an item was brought to City Council to engage certain consultants to perform preliminary work. To date the work performed includes:

- *Treadwell Rollo performed seismic geotechnical investigation and analysis of the feasibility to construct a new Fire Station #52 adjacent to the existing station. This work included trace fault trenching, soil sampling, and peer review by outside geologists.*
- *Treadwell Rollo has performed additional review of the previous geotechnical study for Crestmoor Canyon, provided additional recommendations, and prepared a proposal to perform more in-depth field sampling and analysis to help define the scope of the project.*
- *Wilsey & Ham has performed preliminary reconnaissance and records research related to historical topographic data in Crestmoor Canyon.*

Based upon the latest budget forecast, and factoring in the anticipated escalation of construction costs for the remaining Phase IV Surface Restoration and Replacement Glenview/Earl Park projects, it is not currently anticipated that there will be adequate funding to perform any of the additional projects previously identified in the April 22, 2014 City Council report.

20. I would like to know the answers to all the questions we listed but I have picked out a few:

20a. I would like to know why the Crestmoor Trust Reimbursement Fund (CTRF) was used (\$55,253.) to start-up the 70M San Bruno Community Foundation (SBCF)? And

when will that amount be repaid? Since Crestmoor 2 or Remembrance couldn't be in the name of the Fund (I was at that meeting), I find it quite a slap in "our" face.

See response to Question #1b.

20b. Why are city employees salaries paid out of the CTRF fund? It is pretty appalling especially the City Manager position whose base salary plus perks is \$295,690. And I haven't seen a cop "walking the beat" around Crestmoor 2 since the explosion.

Only the portion of each relevant employee position salary that is directly related to services that are eligible for Trust Fund reimbursement are covered by the Trust. For example, only a portion of the City Manager's salary is charged to the Trust. There are only 2 positions whose full cost is charged to the Trust. One Police Detective is assigned full time to the investigative team under the direction of the US Attorney that is working on the criminal case against PG&E that is scheduled to go to trial in March, 2016. In response to previous specific requests by Crestmoor 2 residents for additional police presence in the neighborhood to assist with traffic control and oversight of the contractor work, the City added a Community Service Officer assigned full time to the neighborhood. In recent months that position has not been available for this assignment and the relevant costs for that period of time will not be submitted for reimbursement through the Trust. That full time assignment is in the process of being restored to the neighborhood.

See response to Question #4 for additional information.

20c. What a blow it was to learn the yearly Commemorative Event was out of the Crestmoor Fund (CTRF). I'd like to hear the reasoning behind that decision.

As discussed in the responses to previous questions, the Trust Fund purpose is to cover the City's extraordinary costs associated with response to and recovery from the 2010 PG&E explosion. The City has undertaken a variety of activities directly associated with support to the Crestmoor 2 neighborhood and with neighborhood and community recovery. The annual commemorative event is one such activity. .

20d. I'd also like to know why the canyon where the explosion occurred wasn't the first thing done right after? My back yard was planted right after and everything has really grown in 5 years – especially the redwood tree. Don't think we want that section of Glenview to wash on down the canyon.

Extensive remedial work in Crestmoor Canyon was done immediately after the explosion and fire. This work consisted of re-grading and stabilization of the canyon slopes in the area that was extensively burned as well as the construction of new retaining wall structures at the upper elevations of the slopes to support the existing homes and lots. Immediate replanting of the slopes was not recommended by the project biologists. It was recommended that the City wait for some of the native species (groundcover) to get established. Additionally, due the presence of non-native species (primarily Eucalyptus), it was further recommended that several seasons pass to allow for eradication measures to be implemented. Groundcover and vegetation have taken root on the slopes and are providing erosion control benefits, with the exception of a few localized areas of erosion that are the subject of ongoing remedial work.

The following questions #21-38 were received after February 2, 2016. Responses are shown below and are posted on the City website and the rebuildcrestmoor.org website.

21. Why were the residents of Crestmoor 2 not given the opportunity to buy the empty lots in the neighborhood from the City?

The City received numerous inquiries from individuals (both residents of Crestmoor 2 as well as other City residents) interested in purchasing the ten lots. Of the ten lots, seven were owned by PG&E and three owned by the City. There were more prospective buyers interested than number of lots available. This interest raised potential questions of how to prioritize the selection of purchasers, how to value the lots, and other logistical issues. Further, several homes that were being rebuilt by owners had experienced delays that left partially finished homes in the neighborhood for a lengthy period and resulted in several complaints from neighborhood residents. In order to avoid the complexity associated with multiple contractors working in the neighborhood at the same time, avoid delay in reconstruction of the homes and minimize disruption to the neighborhood, the City Council approved a process to seek proposals and select a financially qualified and experienced builder to reconstruct homes on the ten lots.

21a. Why did the City spend money set aside to rebuild Crestmoor on the salaries of government employees?

See response to response Question #4. All amounts for employee salaries reimbursed through the Trust Fund are for services directly related to and arising from the 2010 gas pipeline explosion and fire.

21b. What kind of oversight is being carried out to ensure the funds given to the City by PG&E to rebuilt Crestmoor 2 are not being mismanaged?

All expenditures submitted for reimbursement by the Trust Fund are documented in detail for review and approval by the independent Trustee who retains full authority over the Trust Fund. Once the Trustee completes review and evaluation of the documentation prepared for each reimbursement request, he authorizes disbursement of funds from the Trust. The City does not exercise any control over the Trust Fund and receives funds only on a reimbursement basis – after expenditures have been made and paid for by the City.

22. Please provide the actual reimbursements from the PG&E Trust Fund by fiscal year and using the categories as listed on the attached chart.

If a category has reimbursement history but is not listed on the chart below, please add it.

A pending column has been included for charges that have been incurred but not yet submitted for reimbursement.

Verify that the total on the chart reconciles to the actual balance of the PG&E Trust Fund.

(Resident submitted attachment to email containing a spreadsheet with categories and fiscal years.)

Each request submitted to the Trust Fund for reimbursement contains detailed expenditure summaries and invoices. Documentation for each reimbursement request is available for public inspection by appointment at City Hall.

Summary of reimbursement request submittals:

- 1 – July 6, 2011, \$1,279,338.37*
- 2 – August 25, 2011, \$446,352.87*
- 3 – October 26, 2011, \$430,238.72*
- 4 – February 16, 2012, \$795,978.71*
- 5 – July 12, 2012, \$1,634,373.28*
- 6 – September 30, 2012, \$1,517,886.09*
- 7 – April 15, 2013, \$4,045,726.77*
- 8 – September 26, 2013, \$1,812,863.32*
- 9 – May 30, 2014, \$5,250,435.60*
- 10 – May 21, 2015, \$12,340,983.12*

- 23.** The Personnel Allocation page in the Operating Budgets for fiscal years 2014-2015 (page D-75) and 2015-2016 (page E-71) indicate that 45% of the salary and benefits of a Fire Battalion Chief are being reimbursed by the PG&E Trust Fund.

On March 11, 2014, Mark Ladas, Fire Chief, presented the City Council Agenda Item Staff Report "*Adopt Resolution Amending the FY2013-2014 Operating Budget to Add an Administrative Fire Battalion Chief Position in the Fire Department*".

That report states "This position would be a two-year assignment and be responsible for the San Bruno Emergency Operations Center (EOC) including providing resources, equipment, and other information, conducting Emergency Operations Center (EOC) drills coordinating directly with every City department to identify and address their emergency preparation needs, tracking necessary National Incident Management System (NIMS) training, assist with the coordination of emergency preparedness classes offered to the public including CERT, CPR and First Aid, working closely with the program coordinators of the San Bruno's Emergency Preparedness Committee, acting as a liaison with the San Mateo County Office of Emergency Preparedness Committee, acting as a liaison with The San Mateo County Office of Emergency Services, and developing and maintaining a Wildland Fire Mitigation Plan".

While these duties are vital to the emergency preparedness of the City, how is it justified that 45% of his salary and benefits be reimbursed from the PG&E Trust Fund?

The City's experience in responding to the 2010 disaster created an imperative for the City to develop and deliver a more thorough and broad-based emergency preparedness training and oversight program for all departments than had previously been provided as a regular activity of the City. Assignment of the Fire Battalion Chief position to these responsibilities at 45% time offered the most cost efficient method to assure the necessary level and amount of service required by the City would be available.

- 24.** My concern when you discussed at the meeting last week about changing the method of repaving our streets in our Crestmoor neighbor is that our streets will not be done like the work done recently on Santa Lucia from El Camino to De Soto Way.

See attached pictures. I would not like our streets to look like this after they are done.

The repaving of Santa Lucia was done as part of the City's pavement management program and used the standard technique of grinding the existing pavement and applying an overlay of new asphalt. The alternative method of construction that the City is exploring is a different type of construction which uses special equipment to grind the existing pavement, process and recycle the asphalt and then reapply a layer of the recycled product in a single operation. This is a proven pavement replacement method accepted by the Federal Highway Administration (FHWA), Caltrans, and numerous other public agencies. The final product provides similar or greater structural strength compared to conventional roadway construction and reduces reflective cracking up through the pavement. A final lift (or layer) of hot mix asphalt will be placed above the recycled layer and the final product will look and perform as well or better than asphalt roadways constructed using the grinding and overlay construction method.

In addition, recycling the existing asphalt and base material instead of removing and replacing them is an environmentally greener solution. In-place aggregates and asphalt are reused and renewed, not discarded. This approach reduced construction traffic which translates into less disruption to the neighborhood and residents, less energy expended and fewer emissions; up to 80% reduction in greenhouse gases.

- 25.** As a result of the tragic gas pipeline explosions in San Bruno, California and Allentown, Pennsylvania, The Mayors' Council on Pipeline Safety was established in 2013.

Two of the founders were Mayor Jim Ruane and City Manager Connie Jackson.

Counsel for the organization are Britt Strottman and Steve Meyers of the Meyers/Nave firm in Oakland. According to their website (www.meyersnave.com), they have been representing the City in the "extensive investigations and hearings before the CPUC and the National Transportation Safety Board."

This statement is partially incorrect. Britt Strottman and Steve Meyers of the Meyers/Nave law firm do not, and have not served as legal counsel for the Mayors' Council on Pipeline Safety.

Has any money related to the formation, ongoing operation or events associated with this organization been reimbursed by the PG&E Trust Fund?

No.

Has representation of this organization by Meyers/Nave attorneys been reimbursed by the PG&E Trust Fund?

Meyers Nave does not represent the Mayors' Council on Pipeline Safety. Steve Meyers and Britt Strottman, partners at the Meyers Nave law firm, are on the Mayors' Council's website as participants in the organization as a result of their interest in the mission of

the organization. They have provided no legal services to the Mayors' Council, they have received no compensation from or related to the Mayors' Council and no Trust Funds have been used for Mayors' Council activities.

26. The City of San Bruno Warrant Register Total Fund Recap dated 12/16/13 lists \$1,420,686.16 for invoices paid against the Emergency Disaster Fund (190).

We are able to identify the following:

\$443,803.91 - JMB Construction, Inc.	Construction costs
Please provide project name	
\$431,945.34 - Meyers/Nave Professional Law	Legal representation
Please provide period covered	

Please detail the remaining invoices that total \$544,936.91 with the vendor name, amount and purpose of payment.

Following are the invoices:

- *Aaronson Dickerson, Cohn & Lanzone - \$350, trustee services*
- *Acumen Industrial Hygiene, Inc - \$16,176.81, soil and air testing in the Crestmoor 2 neighborhood*
- *City of San Bruno - \$52, meeting expenses*
- *JMB Construction - \$467,162.01 (5% retention of \$23,358.10), construction of phase 3, utilities*
- *Meyers/Nave Professional Law - \$431,945.34, legal services*
- *Old Republic Title Company - \$500,000, purchase of lot at 1690 Claremont*
- *Washington Media Group, Inc - \$5,000, public relations services*

27. Thank you for your suggestion to review the Trust Agreement on the City website. Upon doing so, I would like clarification of the following statement in item number 3, Additions to Trust:

"Grantor shall not be required to contribute an amount greater than \$70 million to the Trust Fund. If the Grantor has contributed a total of \$63 million to the Trust Fund and the City reasonably believes that additional contributions in excess of \$70 million will be needed, Grantor agrees to negotiate with the City and Trustee in Good Faith the amount of any additional contributions in excess of \$70 million."

This document is dated 24th day of March, 2011 and is signed by Christopher P. Johns (PG&E), Michael Garvey (Trustee), Robert Lanzone (Successor Trustee) and Sheila K. Soares (U.S. Bank National Association).

Was there an amendment to this Trust Agreement?

Yes, the original Trust Agreement was amended as part of the March 2012 Settlement Agreement between the City and PG&E that established the \$70 million Restitution Fund. The March 2012 Settlement Agreement reduced the maximum amount of the Trust Fund from \$70 million to \$50 million. The following language from the Settlement Agreement outlines the amendment:

Settlement Agreement Section 2

“Notwithstanding Paragraph 3 of the Irrevocable Trust Agreement, dated March 24, 2011, among PG&E, Michael Garvey, Robert Lanzone and U.S. Bank, National Association (the “Trust Agreement”), the City, as beneficiary of the Trust Agreement, agrees that under no circumstances will PG&E be required to contribute more than \$50 million to the Trust Fund. The foregoing limitation on PG&E’s obligation to fund the Trust will not in any way limit PG&E’s obligations under law or under the Indemnity Agreement. Notwithstanding Paragraph 4 of the Trust Agreement, PG&E, as the grantor of the Trust, agrees that the City will not be required to submit claims to its insurer or to any other entity prior to submitting them to the Trustee for reimbursement.”

28. How can the agenda reports and minutes from 2013 and prior be accessed?

*City Council agenda packets containing agendas and staff report materials can be accessed through the City’s website:
[backhttps://sanbruno.ca.gov/gov/elected_officials/city_council_minutes_n_agendas.htm](https://sanbruno.ca.gov/gov/elected_officials/city_council_minutes_n_agendas.htm)*

City Council agenda materials are available on the website through January 12, 2010. Agenda materials for meetings prior to that date are available through the City Clerk’s Office.

29. Were any of the lawyers’ fees, city staff time and other costs to be get the \$70,000,000 paid by the Crestmoor 2 rebuild trust fund?

Yes, the City’s initial legal, staff time and other costs for formation of the San Bruno Community Foundation were reimbursed to the City through the Trust Fund.

If so, what was the amount?

See response to Question #1b 6th bullet.

Will the rebuild fund be reimbursed since it did not, in anyway, benefit the Crestmoor 2 fire victims' neighborhood?

See response to Question #1b 6th bullet.

30. Please advise from which fund the following invoices were disbursed:

02/23/15 invoice 153550 \$12,142.86 The 360 Group
01/20/15 invoice 152937 \$24,535.71 The 360 Group
12/15/14 invoice 152482 \$24,387.71 The 360 Group
11/03/14 invoice 151655 \$25,000.71 The 360 Group

If there are any additional invoices for vendor code 0106076, please include the disbursement fund for those also.

The 360 Group is a recruiting firm that the San Bruno Community Foundation selected to conduct the recruitment for the Foundation’s Executive Director. Payments issued to The 360 Group were paid out of fund 190 by the City of San Bruno, and were

reimbursed to the City by the Foundation. Costs paid to The 360 Group were not reimbursed through the Trust Fund. There are no other invoices paid to this vendor.

- 31.** What is the status of the tree replanting program on Sneath Lane behind the homes on Plymouth Way? We were of the understanding that the City Council had approved and authorized this work and that it would be started by now. Please provide an update.

Replacement of the trees along the entire Sneath Lane corridor was one of the potential additional projects referred to in Question 1C 2nd bullet. The proposal envisioned the removal of the existing Eucalyptus trees and replacement with a native species (e.g., coast redwood, etc.). As previously stated herein, at the time these projects were considered, it was clear that they would only be undertaken if funding was available. Based upon the latest budget forecast, and factoring in the anticipated escalation of construction costs for the remaining Phase IV Surface Restoration and Replacement Glenview/Earl Park projects, it is not currently anticipated that there will be adequate funding to undertake this work.

However, the City did commit to complete a program of tree trimming and removal of diseased trees within then the corridor adjacent to Plymouth Way. This work was completed prior to the end of calendar year 2015. As part of the City's ongoing urban forest management program, the City will continue to monitor the tree conditions for hazards and tree damage and perform the required maintenance and removal as it does throughout the entire City.

- 32.** If the entire city was a victim according to you and Mayor Ruane, why is the Rebuild Fund stuck with ALL the expenses?

- 32a.** Why is the rebuild fund being charged 100% for a police officer and a community service officer?

See response to Question #20b.

The Police Officer position is assigned full time to represent the City in the criminal investigation prosecution being conducted through the office of the U.S. Attorney. The Community Service Officer position was added as a full time assignment to the Crestmoor 2 neighborhood to address resident concerns and complaints about traffic and vehicle speed and to support the ongoing daily oversight of construction activities in the neighborhood. Costs for this position will not be requested for reimbursement from the Trust Fund for the period of time that the Community Service Officer was not available in the neighborhood.

- 32b.** Why are we paying 45% of a Battalion Chief's salary?

See response to Question #23.

- 32c.** Why does a city this size need an assistant City Manager?

Most cities in our region and elsewhere, including those of similar and much smaller size and complexity have an Assistant City Manager position. In San Mateo County the cities of Brisbane, Pacifica, Foster City, Menlo Park, and Millbrae among others, all smaller than San Bruno have an Assistant City Manager. The position is critical to support the

many and varied activities and management responsibilities of the City Manager's Office to assure effective and efficient oversight and delivery of all City operations and services. In San Bruno the Assistant City Manager serves in the multiple roles to support the City Manager and City Council and provides oversight of the City's Labor Relations and Information Technology functions. The City Council approved the Assistant City Manager position as part of the fiscal year 2012-13 Operating Budget. Additional information on the position can be found in that document.

32d. Lastly, the streets and sidewalks need to be replaced not patched as suggested on Jan. 27, 2016.

The streets, sidewalks, and curb/gutter are all planned to be replaced as part of the upcoming Phase IV Surface Improvement within the Crestmoor Neighborhood.

33. The following City Council Agenda Item Staff Report dated 01/24/12

"Adopt Resolutions Authorizing Construction and Design Work Associated with the Crestmoor (Glenview) Neighborhood Reconstruction Project

- Resolution Authorizing the City Manager to Execute a Construction Contract for the Crestmoor (Glenview) Neighborhood Reconstruction - Phase I Water System Improvement Project with Casey Construction, Inc. in the Amount of \$517,457 and Approving a Construction Budget of \$645,000*
- Resolution Amending the Contract with BKF Engineers, Inc. for Design Engineering Services Related to the Crestmoor (Glenview) Neighborhood Reconstruction and Increasing the Contract Amount by \$406,100"*

states on page 4 of 5:

"Staff anticipates that both hard (construction) costs and "soft" (design, etc.) costs for repair of City property and infrastructure that was damaged by the explosion and fire will be eligible for reimbursement through the State disaster assistance program and / or the City's property insurance, subject to deductibles and other limitations. The Trust Fund will cover all costs of these proposed improvements and professional services that are not otherwise reimbursed."

Has there been or will there be any type of reimbursement from the State Disaster Assistance Program? If so, how much and to which fund has it been or will it be deposited?

No. The Trust Fund was established to provide an efficient means of covering City costs for rebuilding and disaster recovery that would otherwise be subject to the cumbersome and time consuming State Disaster Assistance Program reimbursement process and City property insurance reimbursement procedures. During early discussions with the City's insurance provider and the State Disaster Assistance Program staff immediately following the explosion, it became clear that both the City's insurer and the State would require extensive review of any claims submitted, that there would be significant delay for the City to receive any reimbursement and that both our insurer and the State would ultimately require PG&E to reimburse any amounts they paid. The complexity of these procedures would have created delay and difficulty for

the City to pursue any repairs. In addition neither funding source would cover any costs associated with repair or replacement of infrastructure that was not directly damaged or destroyed by the explosion and fire. It is as a result of the City's efforts to negotiate and establish the Trust Fund that the City was able to secure funding to cover not only repair of the infrastructure directly damaged/destroyed but to expand the infrastructure rebuild project throughout the entire neighborhood.

Has there been or will there be any type of reimbursement from the City's property insurance? If so, how much and to which fund has it been or will it be deposited?

No, see previous response.

- 34.** In a speech given by Jim Ruane on April 9, 2015 regarding PG&E penalties and pipeline reforms, he stated:

"Today, we ask this Commission not to adopt that portion of President Picker's decision denying equitable reimbursement to San Bruno for the approximately 2 million dollars it expended in legal fees. We ask this, not only because San Bruno's contributions are widely credited, but because it is the right thing to do. San Bruno did not "choose" to participate in these proceedings. After our city was blown up and eight souls perished at the hands of corporate negligence and regulatory corruption, is it even possible to imagine that the city's leadership could sit on its hands and allow nearly five years of proceedings to take place in its absence? There should really be no question that we had to participate in this process, we were invited to participate, and we deserve to be reimbursed by the CPUC as an intervener.....And, we ask that you reimburse San Bruno for the 2 million dollars we have expended in our tireless fight for a better, safer system."

Has there been or will there be any reimbursement from any source for legal expenses related in any way to the explosion or fire in Crestmoor 2. If so, how much and to which fund has it been or will it be deposited?

No, there has not been any reimbursement from any source other than the Trust Fund for legal expenses related in any way to the explosion and fire in the Crestmoor 2 neighborhood

- 35.** Although there has not been any reimbursement to date, is the City pursuing reimbursement of legal expenses, from any source, currently or in the future?

The City is not aware of any source or opportunities for reimbursement of legal expenses other than the Trust Fund that was created and established, in part, to cover such costs. As such, the City is not currently pursuing reimbursement from any source other than the Trust Fund. Should such an option or opportunity become available, the City would pursue it.

- 36.** According to the PG&E Trust Agreement dated March 24, 2011, Section 6 Accounting states:

"The following provisions shall apply to Trustee: Reports or accounts that may be required by Section 16061 or 16062 of the California Probate Code may be satisfied by providing Grantor and Beneficiary monthly reports of the income, disbursement and

disposition of all funds in the Trust Fund (including copies of documentation pursuant to which disbursements were made). Monthly statements generated by the Trust Agent must be provided directly to the Grantor and Beneficiary of the Trust at the following addresses:

City of San Bruno
Attn: City Manager
567 El Camino Real
San Bruno, CA 94066

Pacific Gas and Electric Company
Attn: Cash Reconciliation Unit
P.O. Box 770000, MCB26F
San Francisco, CA 94177"

Please provide the current balance of the PG&E Trust Fund as stated on the most recent monthly report generated by the Trustee of the Fund.

The current balance in the Trust Fund as of December 31, 2015 is \$6,295,093.26. An additional \$14 million has been committed by PG&E but has not been deposited to the Trust Fund. Once the currently Trust Fund balance of \$6.295 million has been depleted, the City will initiate a request to the Trustee for replenishment of the Trust Fund and if approved by the Trustee, he will coordinate transfer of the funds from PG&E to the Trust Fund.

37. As referenced by Harry Burrowes in the City Council meeting of February 9, 2016, please provide the geotechnical engineer's report on the condition of the streets in Crestmoor 2 and recommendations for replacement.

The geotechnical report will be placed on both the Rebuild Crestmoor and City of San Bruno websites by Monday, February 29, 2016.

38. The PG&E Trust Reimbursement Expenditure Summary dated May 15, 2015 lists \$765,361.28 for waived fees.

Since that report is 8 months old, please provide an updated total along with the type and amount of the fees (building permits, electrical permits, mechanical permits, plumbing permits, inspection fees, planning fees, etc.) and the fiscal years when all were reimbursed from the Trust Fund?

Waived Fee Type	Submittal 1	Submittal 2	Submittal 3	Submittal 4	Submittal 5	Submittal 6	Submittal 7	Submittal 8	Submittal 9	Submittal 10	Current	Total
Building Permit	48,839.50	17,232.00	13,526.00	25,665.00	16,333.00	12,049.00	9,801.00	939.00	831.50	5,810.00	3,556.00	154,582.00
City Art Fee	3,121.57	1,255.09	935.63	1,768.33	1,058.66	788.53	697.63	20.95	106.37	401.67	1,493.10	10,152.49
Digital Imaging	2,035.10	815.80	615.15	1,171.27	685.95	545.59	268.66	18.72	67.47	275.22	854.96	7,353.89
Green Building Fee	235.00	92.00	73.00	135.00	82.00	61.00	37.00	5.00	25.00	34.00	2,309.00	3,088.00
Seismic	704.60	323.47	254.75	499.05	294.37	212.87	191.11	3.90	31.00	117.75	60.15	2,699.02
Technology	5,601.52	2,259.16	1,703.48	3,243.55	1,899.54	1,509.99	709.94	51.84	186.63	728.11	2,367.54	20,261.50
Electrical	5,882.55	2,317.70	1,570.65	3,281.95	1,933.90	1,272.85	1,366.60	-	325.85	638.45	-	18,369.70
Energy	1,685.40	1,806.42	1,245.86	2,670.36	1,503.04	1,087.57	371.74	-	194.32	639.10	-	11,783.81
Fire Plan	620.00	465.00	775.00	1,240.00	775.00	2,170.00	620.00	310.00	-	155.00	-	7,130.00
Fire Protection	620.00	-	310.00	1,550.00	930.00	2,325.00	620.00	310.00	-	310.00	-	6,975.00
Mechanical	1,974.00	1,482.00	1,151.00	1,950.00	945.00	600.00	700.00	-	50.00	530.00	-	9,382.00
Plan Check	17,237.75	15,355.25	15,486.50	36,539.00	23,161.55	15,147.75	20,626.50	-	-	9,840.00	5,334.00	158,728.30
Plan Check OTC	2,905.50	-	-	-	-	-	-	-	-	-	-	2,905.50
Plumbing	5,320.00	4,270.00	2,680.00	4,470.00	3,050.00	2,110.00	2,605.00	-	1,100.00	1,055.00	22,800.00	50,060.00
Recycle	1,000.00	500.00	500.00	625.00	375.00	250.00	375.00	-	-	125.00	-	3,750.00
Tree	2,700.00	1,620.00	2,160.00	2,700.00	1,620.00	1,080.00	1,080.00	-	-	540.00	540.00	14,040.00
Recycling Deposit	4,000.00	4,000.00	4,000.00	5,000.00	-	-	-	-	-	-	125.00	17,125.00
Wastewater Capacity	17,475.00	30,293.00	16,312.00	40,780.00	24,468.00	16,312.00	16,312.00	-	-	8,156.00	8,156.00	178,264.00
Water Capacity	7,512.00	10,515.00	7,010.00	17,525.00	10,515.00	7,010.00	7,010.00	-	-	3,505.00	3,505.00	74,107.00
Water Meter Install	1,694.40	1,678.78	-	2,824.00	1,123.60	1,123.60	1,123.60	98.38	-	564.80	564.80	10,813.96
Admin	-	-	-	-	-	250.00	350.00	-	-	-	-	600.00
Demo	11,200.00	-	280.00	-	-	1,120.00	-	-	280.00	-	-	12,880.00
Use Permit	-	11,270.00	-	-	-	14,117.50	2,060.00	-	-	-	-	27,447.50
Architectural Review	-	1,600.00	-	-	-	-	-	-	-	-	-	1,600.00
Utilities	-	-	-	-	-	1,481.56	-	-	-	-	-	1,481.56
General Plan	-	-	-	-	6,912.90	956.20	883.40	-	-	581.00	355.60	9,689.10
	\$ 142,943.89	\$ 108,956.67	\$ 70,589.02	\$ 153,636.91	\$ 97,670.51	\$ 83,586.87	\$ 68,415.18	\$ 1,757.79	\$ 3,798.34	\$ 34,006.10	\$ 52,021.15	\$ 815,889.33
Fiscal Year	FY 2011-12	FY 2011-12	FY 2011-12	FY 2011-12	FY 2012-13	FY 2012-13	FY 2012-13	FY 2013-14	FY 2013-14	FY 2014-15	N/A	

39. Can you please give the amounts each city employee received as a result of this overtime compensation?

Position	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16 (to date)
Deputy City Clerk	\$ -	\$ -	\$ 256.24	\$ -	\$ -	\$ -
ACSR	-	346.68	496.81	-	-	-
Maintenance Worker	-	1,912.05	667.13	329.72	-	-
Pump Mechanic	-	54.75	-	-	-	-
Police Officer	-	21,657.07	32,304.71	38,642.97	36,400.00	20,295.61
Public Services Executive Assistant	-	-	72.99	-	-	-
Parks Special Assistant	-	252.60	-	-	-	-
Streets Special Assistant	-	47.36	-	-	-	-
Computer Support Technician	-	-	-	51.98	-	-
Battalion Chief	-	-	-	-	-	-
TOTAL	\$ 354,221.39	\$ 24,270.51	\$ 33,797.88	\$ 39,024.67	\$ 36,400.00	\$ 20,295.61