TO: Mayor & City Council
FROM: Tom Williams, City Manager
RE: WEEKLY ISSUES UPDATE
DATE: December 22, 2016

**REMARKS:** City Hall Offices are closed on Friday, December 23 and Monday, December 26, 2016 in observance of the Christmas Holiday!!!

**BUILDING AND OCCUPANCY PERMITS:**

Building permits were issued to:

1. **Larson Packaging Company**, for addition to their existing warehouse located at 1000 Yosemite Drive at an estimated construction cost of $500,000.
2. **OCC Commercial Construction Inc.**, contractor, for tenant improvements at the vacant building located at 500 Alder Drive in preparation for future tenant move-in at an estimated construction cost of $399,882.

Building permit application was submitted by:

1. **Pulte Homes**, developer of Towns at Metro, 303 townhome and single family units' development located at 1401 South Milpitas Boulevard (former Milpitas Station) for the construction of 17 buildings consists of 128 units at a total estimated construction cost of $28.7M.

Occupancy permit applications were submitted by four new businesses moving to Milpitas:

2. **Bezawada Inc.**, new restaurant located at 127 Dixon Road.
3. **Blueline rental LLC**, office space for rental of heavy equipment business located at 261 Bothelo Avenue.
4. **GHG Systems Inc.**, IT consulting services office located at 1313 North Milpitas Boulevard.

The following businesses have received final inspection and are now open for operation:

1. **Cisco Building 21**, network equipment manufacturer, for the tenant improvements at their existing 3-story facility located at 771 Alder Drive.
2. **Gen Korean BBQ House**, for the tenant improvement of a new Korean restaurant located at 500 Barber Lane.
3. **Taiwan Street Snacks**, Taiwanese fast food restaurant at 522 Barber Lane.
4. **Roswen Insurance Center**, insurance sales at 182 Great Mall Drive.
5. **Micro Scientific Glass Blowing**, glass blowing manufacturer at 883 Ames Avenue.

**CONSTRUCTIONS UPDATE:**

The Edge, 381 units apartment complex with 8000 sq. ft. of commercial, wrapped around 9-story garage building development by Citation Homes located at 765 Montague Expressway:

Work continues on the 9-story parking garage. The Towns at Metro project, the new Bob McGuire Park and community center can be seen in the background in the picture on the right.
Somont, 4-story, 141 stacked flat condominium unit's residential development by Lennar Homes located at 450 Montague Expressway: Streets have been installed and the foundations for the first three buildings are in progress. See picture on the left.

620 East Capitol Avenue, 5-story, 351 multi-family unit's residential development over 2 story underground parking garage by Lennar Communities located at 620 East Capitol Avenue: Parking garage lower levels are complete and the floor for the apartments is in progress. Wood framing will begin soon. See picture on the right.

Hazmat incident on View Drive: The Building and Safety Department responded to a request by dispatch on Wednesday, December 14, 2016 at 8:15AM to a residence on View Drive to determine if the building was safe to occupy due to presence of hazardous material. Red tag was posted since access to the property was not possible. Later in the evening, the inspector determined that the hazardous conditions had been abated and the red tag was removed allowing occupancy of the home.

HUMAN RESOURCES DEPARTMENT UPDATES: Next week (12/27/16 – 12/30/16) will be "Casual Friday" week for all non-uniformed employees who do not have meetings. Employees have been reminded to dress professionally, but formal business attire is not required.

CURRENT EMPLOYMENT OPPORTUNITIES: Human Resources is currently accepting applications for the following employment opportunities:

Open Competitive Opportunities:
- Building Inspector - continuous
- Planning Manager – closes 12/30/16
- System Administrator – closes 1/3/17
Temporary Opportunities:
- Adult Crossing Guard
- Building Attendant/Recreation Leader
- Fitness Instructor
- Head Swim Coach
- Recreation Leader: After the Bell Program
- Recreation Leader: Referee
- Recreation Leader: Clerical

Promotional Opportunities (only current employees may apply):
- Assistant Water System Operator – closes 12/27/16
- Equipment Maintenance Worker III (Utilities) – closes 12/27/16
- Maintenance Worker II – closes 12/27/16

Employee Training Opportunities:
Contact Human Resources (408-586-3090) to schedule:
- New Employee Orientation to complete paperwork for payroll and benefits.

Upcoming Training
- LCW Seminars: Performance Management (January 11, 2017)

RECREATION DEPARTMENT UPDATES: Fall registration began on August 9, 2016 and to date has brought in $194,690.97, which is 114% of last year’s Fall total.

YOUTH PROGRAMS:
After The Bell (ATB): Below is a breakdown of each school’s enrollment to date:

<table>
<thead>
<tr>
<th>School</th>
<th>Total # of Enrolled Students</th>
<th>Max Capacity</th>
<th>Waitlist</th>
</tr>
</thead>
<tbody>
<tr>
<td>Burnett</td>
<td>65</td>
<td>65</td>
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<tr>
<td>Curtner</td>
<td>90</td>
<td>90</td>
<td>27</td>
</tr>
<tr>
<td>Spangler</td>
<td>43</td>
<td>45</td>
<td>0</td>
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<tr>
<td>Weller</td>
<td>43</td>
<td>45</td>
<td>0</td>
</tr>
<tr>
<td>Zanker</td>
<td>80</td>
<td>80</td>
<td>10</td>
</tr>
</tbody>
</table>

After the Bell will be closed from December 19, 2016 - January 2, 2017 in observance of the MUSD winter break. Students will return to After the Bell on Tuesday, January 3, 2017.

Recreation Assistance Program (RAP): The Recreation Assistance Program (RAP) offers financial assistance to Milpitas families that wish to participate in Recreation Services programs. To date we have approved 42 families for access to RAP funding and awarded $3,529.

Pre-K Enrichment: To date, we have received 133 enrollments for the Fall 2016 season. This is approximately a 28% increase from Fall 2015 total enrollments of 104.

Winter Break Camp: Milpitas Recreation’s new Winter Break Camp is in session from Monday-Thursday (December 19-22, 2016), 8:00AM - 5:00PM, at the Milpitas Sports Center. Campers will enjoy each day of camp, participating in winter themed activities such as crafts, cooking, sports and much more. There are 33 total campers enrolled for Winter Camp. Many of the campers are Milpitas school enrollees who need care during their school’s scheduled break.

SENIOR CENTER had its Senior Nutrition Program Holiday lunch on Tuesday, December 20th at noon.

FACILITY CLOSURES
All City Facilities will be closed the following dates:
- Friday, December 23, 2016
- Monday, December 26, 2016
- Monday, January 2, 2017

Milpitas Community Center is closed:
- Monday, December 19, 2016 and will reopen on Tuesday, January 3, 2017

Milpitas Senior Center has modified hours 8:30AM to 1:00PM
- Monday, December 19, 2016 and will return to regular hours on Tuesday, January 3, 2017
BART Construction (at nearly 85% complete) will create intermittent traffic impacts in the following areas:

- **Montague Expressway**: Montague Expressway now has a street-level bridge that will pass over future BART that is in a trench below. To minimize impacts to the travelling public during peak commute hours in the AM and PM, all lanes will be open. The contractor for the County’s Montague Widening project, OC Jones, implemented their South Milpitas Boulevard full closure on Friday, October 14, 2016. It is currently delayed due to inclement weather, unknown utility conflicts, and contractor/third party utility issues. The current schedule shows that the roadway may be reopened later in January, weather permitting. Additionally, OC Jones has been authorized to perform night work within Montague Expressway and South Milpitas Boulevard through the end of January, 2017.

- **Capitol Avenue**: SSH recently completed their final reconstruction of Capitol Avenue. This allowed another VTA contractor (C671) to shift the two northbound lanes easterly, so their work on the Light Rail station in the median can proceed.

- **Dixon Landing Road**: SSH will periodically require single lane closures during the off-peak hours for other remaining work. A new left-turn lane, from southbound Milmont Drive, was installed through the median in order to provide an alternate access to the “7-11” shopping center. This will be removed and the median will be restored, now that the alternate “7-11” driveway on Dixon reopened in mid-March 2016.

- **Piper Drive**: One lane in each direction was re-opened to the public since May 2, 2014. Single-lane closures may periodically be required to allow final improvements to the roadway and the at-grade UPRR crossing

**Design & Construction**

**Projects Impacting the Public:**

- **Alviso Adobe Phase V – Interior Restoration (CIP 5055)**: This project provides for the restoration of the first floor of the Alviso Adobe. A design contract was approved by the City Council on August 16, 2016. Concept design is underway.

- **Street Light Improvement Project (CIP 4266)**: This project provides for various improvements to renovate and replace some of the aging street light infrastructures. As part of this project, a number of existing street lights will be converted to energy efficient Light Emit Diode (LED), in a pilot program. The initial phase of the pilot program was completed in early September, 2014. 1,000 LED street light fixtures have been installed at various streets in the City. Anticipated annual energy savings is approximately $54,000, per year, as a result of this project.

- **Marylinn Drive Sanitary Sewer Replacement (CIPs 6115 & 6116)**: This project provides for the replacement of a 27” & 30” diameter sanitary sewer pipeline along Marylinn Drive and under I-880. The consultant is proceeding with a CIP design to line the existing pipes as a cost savings measure. 50% design plans were submitted and reviewed. Staff reviewed and responded to the 85% design documents. The plans and specifications are being completed and was approved by City Council on December 6, 2016. Once staff obtains permits from Caltrans, SCVWD, and California Department of Fish and Wildlife the project can be issued for bid advertisement.

- **Milpitas Sports Center Pool Repairs (CIP 3408)**: The project repaired and resurfaced three sports center pools. Construction was completed on time and within budget on May 5, 2016. Council approved initial acceptance of the project on September 20, 2016, and the project is in the one-year warranty period.
• **Light Rail Median Landscaping (CIP 2001):** This project provides for landscape improvements within the medians along Great Mall Parkway, from I-880 to the southern City limits. The new landscape will be irrigated with recycled water. The project was advertised in October and two bids were received. The construction contract was approved by City Council on December 6, 2016. Pre-construction meeting was held on December 15, 2016 and anticipated start date is the first week of January.

• **Dempsey Road Water line Replacement (Projects 3709, 7100 & 7118):** This project provides for the replacement of the water main and storm drainage lines along Dempsey Road, from Yosemite Drive to Calaveras Boulevard, and will install a recycled waterline along the alignment. The design of the storm, water and recycled lines is underway. The designer is preparing the 98% plans which includes incorporation of the City’s comments on the 50% plans. Additional field investigation is necessary to identify potential conflicts with the existing utilities, therefore, the 98% plans are now scheduled to be ready for City review in January. Permit applications have been prepared and submitted for review by the various agencies impacted by the project. In addition, the designer is preparing the documents needed to obtain the required easements for the project.

• **237/McCarthy Boulevard Median Landscaping (CIP 4274):** This project provides for median landscaping and irrigation, for the medians at the 237/McCarthy Boulevard Interchange. A Funding Agreement, between VTA and the City, was executed in 2012 to provide partial funding for this project and to allow VTA to administer the construction. The creation of a new CIP project, with additional funding, will be needed to construct this project. City staff is assisting VTA with the preparation of final plans and obtaining permits for the work on the McCarthy Boulevard medians from Ranch Drive to Bellew Drive. Staff is working with VTA to develop the project schedule for advertisement and project construction.

• **Milpitas Midtown East Parking Garage (CIP 3407):** The project provides for the electric motor operation of fire doors within the garage and library. The contractor has completed the installation of the new electrical panel and most of the related conduits. The contractor has installed 4 of the new 6 door operators. Due to the extra expense and spacing constrains, the City has determine to eliminate the installation of door operate at the Library window from the Contract. The door operator for the Library door, key switches, sensing edge, and backup battery to be installed the second week of January, 2017.

• **Berryessa Creek Improvement Project (Army Corp of Engineers/SCVWD):** The Santa Clara Valley Water District (SCVWD) and the Army Corp of Engineers are completing the design for a project to improve Berryessa Creek, from south of Montague Expressway to State Route 237. The contractor has started construction adjacent to Montague Expressway. The project is anticipated to be completed in 2018.

• **Sports Center Sports Fields (CIP 5104):** This project provided for the installation of a synthetic turf football/soccer field and a smaller multi-purpose field, including lighting and related furniture and equipment. Construction was completed. Staff and the contractor are working on project close-out in preparation for initial acceptance by the City Council.

• **Higuera Adobe Park Renovation (CIP 5097):** This project provides for the renovation of the picnic area and replacement park play equipment. Parking lot surface improvements and ADA access improvements are also included. The concept plans were brought to the PRCRC meeting on March 7, 2016. Plan Approval was completed on June 7, 2016 and the project was advertised in October. Two bids were received and the construction contract was brought to the City Council for approval on December 6, 2016. Start of construction is anticipated for the 1st week of March 2017.

• **Bridge Improvement Project (CIP 4271):** This project provides for the repair and resurfacing of City-owned bridges as identified by Caltrans as deficient and in need of maintenance. Day work will require one-way traffic controls on the bridges which will cause minor traffic delays. Night work may generate construction noise but less traffic impacts are anticipated. The Notice to Proceed was issued to the Contractor on October 20, 2016. The contractor mobilized the week of October 31, 2016 and has started construction on November 7, 2016. Contractor completed all Work. The City issued punchlist and started close out process.
• **Wrigley-Ford Creek Erosion Repair (CIP 3700 & 3706):** This project will provide for the repair of significant erosion damage to the Wrigley-Ford creek riparian mitigation area. Construction is complete. Project was accepted by the City Council on November 15, 2016 and start the one year warranty period.

• **Cathodic Protection Improvement – Main Sewer Pump Station (CIP 7115):** This project provides for the installation of corrosion protection for the sewer force main system within the Main Sewer Pump Station at North McCarthy Boulevard. The project will also evaluate the City-owned sewer force main system between the Main Sewer Pump Station, at North McCarthy Boulevard, and the San Jose Waste water Treatment Plant, at Zanker Road. The evaluation is an update to the City’s 2012 Annual Survey and Cathodic Protection Condition Assessment. Bid package for advertisement for work within the Main Sewer Pump Station is being prepared.

• **McCandless Park Project (CIP 5102):** This project provides for a new public park, adjacent to the new Milpitas Unified School District Elementary School, located on the east side of McCandless Drive, south of Montague Expressway, in the Transit Area. The park will provide approximately 4 acres of City public park space which will include play fields, athletic courts, parking, picnic area, play structure, and restrooms. A preferred concept plan to maximize right of way to accommodate both the park, a joint use area, and the school is being prepared. Once the final conceptual plan has been approved by the City Council, the consultant will commence with the creation of the construction drawings. City and school staff continue to coordinate project related issues.

• **New Midtown Street Light Project (CIP 3430):** This project provides for the phased installation of Midtown standard decorative street lighting along South Main Street from Carlo Street to Great Mall Parkway. The first segment of lighting design and installation will be from Carlo Street to just north of Corning Avenue. HMH was awarded the contract on August 17, 2016 to provide design services for this project. The conceptual lighting design was submitted on September 27, 2016 and the City’s staff has provided HMH with comments on October 10, 2016. The project is in a holding pattern until the project is coordinated with the 5101 South Main International Park and Midtown Specific Plan Amendment.

• **Utility Underground 2017 Project (CIP 3425):** This project provides preliminary engineering, support services, and coordination to the Pacific Gas & Electric Company (PG&E) for the creation of a new Rule 20A Utility Underground District (UUD) on Corning Avenue from South Main Street to North Abel Street and South Main Street from Corning Avenue to East Curtis Avenue. The new underground district will utilize PG&E’s Rule 20A funds for construction of the utility undergrounding of existing overhead pole mounted electric, cable, and AT&T lines along South Main Street and Corning Avenue. A Resolution to set the Public Hearing to establish the district on January 3, 2017 was adopted by City Council on December 6, 2016.

• **TASP Underground Utility District (CIP 4281):** This project provides for the creation of a new utility underground district to underground existing overhead PG&E, Cable TV and AT&T lines within TASP redevelopment area along South Milpitas Boulevard and Montague Expressway. The new district would be administered by the City and the design and construction to be completed by PG&E using the City’s and County’s Rule 20A funds. VTA is installing the new undergrounding substructure for AT&T and PG&E (at risk) as part of the BART project at their cost. A Resolution to set the Public Hearing to establish the district on January 3, 2017 was adopted by City Council on December 6, 2016.

• **Street Resurfacing 2016 Project (CIP 4280):** This project provides for the asphalt concrete pavement overlay including the replacement of damaged curb, gutter, and sidewalk, and the installation of new code compliant ADA curb ramps. Streets included in this project are McCarthy Boulevard from Barber Lane to Tasman Drive and Tasman Drive from McCarthy Boulevard to Alder Drive. City Council awarded Construction contract to O’Grady Paving, Inc. on August 2, 2016. Contractor continues with final pavement striping this week.

• **Electrical Vehicle Charging Stations (CIP 4276):** This project provides electrical charging stations to the public at City Hall parking lot and Milpitas library garage. Two Level 2 electrical vehicle charging stations have been installed and activated at the City Hall parking lot. The electrical charging stations in Milpitas Library Garage will be installed and energized in December 2016.
• Daniel Court Water Main & Service Replacement (CIP 7110 & NEW): This project will provide for the construction of waterline and service laterals and replacement of water meters and fire hydrants on both sides of Daniel Court, east and west of N. Park Victoria Drive. The engineering design is expected to start the first week of January 2017.

Land Development (Private):

### UNDER CONSTRUCTION (ONSITE & OFFSITE) ACTIVE PROJECTS

<table>
<thead>
<tr>
<th>DESCRIPTION</th>
<th>IMPACT</th>
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<tbody>
<tr>
<td>Harmony, DR Horton, McCandless Drive (PJ2709): This project will construct 276 single family attached homes and condo units off the south west portion of McCandless Drive. McCandless Drive is now open for through access to the public. Montague Expressway frontage improvements are nearing completion.</td>
<td>Possible traffic delays on McCandless Drive</td>
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<td>District 2, Taylor Morrison, McCandless Drive (PJ2825): This is a medium density residential project off the northerly portion of McCandless Drive. Off-site improvements at McCandless Drive are substantially complete. Revised off-site storm water treatment improvements on Newbury are complete. McCandless Drive is now open for through access to the public.</td>
<td>Possible traffic delays on McCandless Drive</td>
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<td>Metro, Pulte Home, 1401 South Milpitas Boulevard (PJ 1211): This project will construct 318 residential units in total, at the intersection of the future Garden Street and South Milpitas Boulevard. Lot 1 is under construction. Public improvements for South Milpitas Boulevard and Garden Street are under construction. Lots 2-4 are in the building permit stage. The occupancy phasing plan for Lot 1 was revised and resubmitted for review.</td>
<td>Traffic delays on South Milpitas Boulevard</td>
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<td>Cobblestone, Tripointe, 345 Los Coches Street (PJ2792): This project will construct 32 single-family residential units on 2.655 acre property at the northwest corner of Milpitas Boulevard and Los Coches Street. Improvements along the South Milpitas Boulevard and Los Coches Street frontages are complete but not yet accepted. The last unit has been released with a security deposit of $10,000 dollars provided by the developer in for any incomplete items that still need to be addressed.</td>
<td>No traffic impact</td>
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<td>Orchid, DR Horton, 31 South Milpitas Boulevard (PJ2812): This project will construct 80 single-family detached units with related infrastructure (water, sewer, storm drain and other utilities and improvements along Los Coches Street and Milpitas Boulevard). An Encroachment Permit for all off-site improvements and a site improvement permit for onsite improvements have been issued. The recycled water deferred submittal has been approved by SBWR. Frontage improvements and paving operations are complete. Trail improvements are under construction.</td>
<td>Possible traffic delays on Los Coches Street</td>
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<tr>
<td>PACE, Trumark, 324 Montague Expressway (PJ2762): This project will construct 42 single-family detached units and 91 condominium units at the corner of Trade Zone Boulevard and Montague Expressway. Improvements along Trade Zone Boulevard and Montague Frontage are complete but not accepted. The project is nearing completion. The building inspector is working on the paperwork for the recycled water system so it can be submitted to South Bay Water Recycling along with the as-built drawings.</td>
<td>No traffic impact</td>
</tr>
<tr>
<td>Citation 1 (north portion of Piper Drive) (PJ2527): This project will construct 94 townhouse units and two apartment buildings, totaling 638 units. On-site construction is complete. Off-site improvements are under construction.</td>
<td>No traffic impact</td>
</tr>
<tr>
<td>Traverse, K. Hovnanian, 569 Trade Zone Boulevard (PJ2874): This project will construct 207 residential townhome units on 12.5 acres of land with new public roadway system and a public park. The project is under construction and the off-site improvements are almost done. Release of Buildings 9 &amp; 27 are anticipated this week.</td>
<td>No traffic impact</td>
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<tr>
<td>Waterstone, Lennar Homes, 1494 California Circle (PJ2830, PJ1160): This project will construct 84 single-family residential units on an existing industrial site.</td>
<td>Possible traffic delays along California Circle and I-880 ramp</td>
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<tr>
<td>District 1, Lots 2, 3A and 4, Lyons, 1320 McCandless Drive, 1425 McCandless Drive and 1310 McCandless Drive/1463 Centre Pointe Drive: This project will construct 3 high-density residential and mixed use projects. There is no activity on Lots 3A and 4. The applicant has made a 2nd submittal for the off-site improvements, the plats, legal descriptions and supporting documents for the proposed easements have been submitted for review.</td>
<td>Possible c delays on McCandless Drive and Great Mall Parkway</td>
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</tbody>
</table>
**Piper, KB Homes, 1256 Piper Drive (PJ1122):** This project will construct 98-townhome-style condominiums and 1-condominium tower with 210 units and the corner of Piper Drive and Garden Street. This project is located in the TASP Area in the Piper/Montague Sub-district. The ARS, SIA and FM were approved 12/6/16 City Council meeting. The offsite plans have Fire Department comments that are currently being addressed.  

| Possible traffic delays on Piper Drive and Garden Street |

<table>
<thead>
<tr>
<th><strong>UNDER CONSTRUCTION (ONSITE ONLY)</strong></th>
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<tr>
<td><strong>Murphy Ranch Townhomes, Lyons, and Coyote Creek (PJ2740):</strong> This project will construct 285 townhomes (approved as part of the Fairfield Project). Fine grading, underground work and site improvement construction are mostly completed. The developer will coordinate traffic control with the adjacent Fairfield project. Off-site improvements have been completed and accepted by the Council with Cerano Apartments. Final Occupancy punchlist (RW closeout) is in progress.</td>
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<td>No traffic delays</td>
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<td><strong>District 1, Lyons (north portion of McCandless Drive) (PJ1134):</strong> This project is a mix-use commercial and high density residential development located at the northerly portion of McCandless Drive. On-site construction is on-going.</td>
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<tr>
<td>Traffic delays on Great Mall Parkway</td>
</tr>
<tr>
<td><strong>Palazzo, KB Homes, 1200 Piper Drive (PJ1051):</strong> This project will construct 94 townhome-style condominiums at the northeast corner of Piper Drive and Garden Street. It is located in the TASP in the Piper/Montague Sub-district. The project is nearly complete.</td>
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<td>No traffic delays</td>
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<tr>
<th><strong>INACTIVE PROJECT</strong></th>
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<tr>
<td><strong>Countryside Estates (PJ2889):</strong> This project will construct 6 hillside homes. The contractor will be providing traffic control, for work on Country Club Drive, when construction starts.</td>
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</table>