



**MILPITAS CITY COUNCIL MEETING AGENDA
SEPTEMBER 4, 2007**

**7:00 P.M. (PUBLIC BUSINESS)
455 E. CALAVERAS BOULEVARD**

SUMMARY OF CONTENTS

- I. CALL TO ORDER/ROLL CALL (7:00 p.m.)**
- II. PLEDGE OF ALLEGIANCE**
- III. INVOCATION (Mayor Esteves)**
- IV. APPROVAL OF MINUTES (August 21, 2007)**
- V. SCHEDULE OF MEETINGS (Council Calendar)**
- VI. PRESENTATIONS**

Proclamations:

- Patriot Day – September 11, 2007
- Senior Housing Solutions – Opening of Vasona House
- Honoring First Responders Day in Milpitas

VII. PUBLIC FORUM

Members of the audience are invited to address the Council on any subject not on tonight's agenda. Speakers must come to the podium, state their name and city of residence for the Clerk's record, and limit their remarks to three minutes. As an unagendized item, no response is required from City staff or the Council and no action can be taken; however, the Council may instruct the City Manager to agendize the item for a future meeting.

- VIII. ANNOUNCEMENTS**
- IX. ANNOUNCEMENT OF CONFLICT OF INTEREST**
- X. APPROVAL OF AGENDA**
- XI. CONSENT CALENDAR (*Items with Asterisks)**
- XII. JOINT REDEVELOPMENT AGENCY AND CITY COUNCIL MEETING**
 - RA1. Call to Order by the Mayor/Chair**
 - RA2. Roll Call**
 - RA3. Approval of Minutes (August 21, 2007)**
 - RA4. Approval of Agenda and Consent Calendar**

- RA5. Receive Progress Report on Library, East Parking Garage, and Related Project Numbers 8154, 8161, 8162, and 8165 (Staff Contact: Steve Erickson, 586-3414)**
- RA6. City of Milpitas Unaudited Financial Status Report for the Fiscal Year Ended June 30, 2007 (Staff Contact: Emma Karlen, 586-3145)**
- *RA7. Approve Fiscal Year 2006-07 Year-End Budget Adjustments and Adopt Agency Resolution (Staff Contact: Emma Karlen, 586-3145)**
- *RA8. Receive the 2007-2008 Final Budget and the 2007-2012 Final Capital Improvement Program (Staff Contact: Emma Karlen, 586-3145)**
- *RA9. Authorize the Agency Executive Director to Execute Certificate of Completion Pertaining to Certain Residential Units Within Tract No. 9698, KB Home Terra Serena (Staff Contact: Mehdi Khaila, 586-3328)**
- RA10. Agency Adjournment**

XIII. REPORTS OF OFFICER

City Council

- * 1. Approve Mayor Esteves' Recommendations for Appointments/ Re-Appointments to City Commissions (Contact: Mayor Esteves, 586-3029)**
- * 2. Approve Mayor Esteves' Recommendation for Planning Commission Appointment (Contact: Mayor Esteves, 586-3029)**

XIV. ORDINANCE

- 3. Approve FY 03-04, FY 04-05 and FY 05-06 Accounts Receivable Write-offs and Introduce Ordinance No. 274 to Expand the Definition of a Public Nuisance and to Provide a Cost Recovery Mechanism for Public Nuisance Abatement (Staff Contact: Emma Karlen, 586-3145)**

XV. RESOLUTIONS

- * 4. Adopt Resolution Request of Management/Unrepresented Employees Cost of Living Increase and Benefit Package (Staff Contact: Tom Williams, 586-3050)**
- * 5. Adopt Resolution Amending the City of Milpitas Classification Plan (Staff Contact: Carmen Valdez, 586-3086)**
- * 6. Approve Public Improvement Plans and Final Map; Authorize City Manager to Execute the Secured Subdivision Improvement Agreement, and Adopt Resolution Certifying the Project's Annexation to Community Facilities District No. 2005-1 for Calaveras Estates, Tract No. 9891, Project No. 3179 (Staff Contact: Mehdi Khaila, 586-3328)**

XVI. BIDS AND CONTRACTS

- * 7. Authorize the City Engineer to Execute a Contract Change Order with Norwood Construction for Milpitas Communication Enhancements—Phase 1, Projects No. 4232 and 8093 (Staff Contact: Jaime Rodriguez, 586-3335)**
- * 8. Award the Bid for Energy Efficiency Measures – Existing Lighting Retrofits to T. Marshal Assoc., Ltd. (Staff Contact: Chris Schroeder, 586-3161)**

- * 9. Award the Bid for McCarthy Ranch Landscape Maintenance Services to Jensen Landscape Services Inc. (Staff Contact: Chris Schroeder, 586-3161)

XVII. ADJOURNMENT

NEXT REGULARLY SCHEDULED COUNCIL MEETING
TUESDAY, SEPTEMBER 18, 2007 AT 7:00 P.M.

KNOW YOUR RIGHTS UNDER THE OPEN GOVERNMENT ORDINANCE

Government's duty is to serve the public, reaching its decisions in full view of the public. Commissions, boards, councils and other agencies of the City exist to conduct the people's business. This ordinance assures that deliberations are conducted before the people and the City operations are open to the people's review. FOR MORE INFORMATION ON YOUR RIGHTS UNDER THE OPEN GOVERNMENT ORDINANCE OR TO REPORT A VIOLATION OF THE ORDINANCE, CONTACT THE OPEN GOVERNMENT SUBCOMMITTEE

at the City Attorney's office at Milpitas City Hall, 455 E. Calaveras Blvd., Milpitas, CA 95035
E-mail: rpioroda@ci.milpitas.ca.gov / Fax: 408-586-3030 / Phone: 408-586-3040

A free copy of the Open Government Ordinance is available from the City Clerk's Office or by visiting the City's website www.ci.milpitas.ca.gov, select Open Government Ordinance under News Features.

BECOME A CITY COMMISSIONER!

Currently, there are openings on the following Commissions:

Arts Commission
Economic Development Commission (Hotel Rep)
Mobile Home Park Rental Review Board
Planning Commission
Youth Advisory Commission

Applications are available online at www.ci.milpitas.ca.gov or outside the City Council Chambers.
Contact the City Clerk's Office (586-3003) for information.

AGENDA REPORTS

XII. JOINT REDEVELOPMENT AGENCY AND CITY COUNCIL MEETING

RA5. Receive Progress Report on Library, East Parking Garage, and Related Project Numbers 8154, 8161, 8162, and 8165 (Staff Contact: Steve Erickson, 586-3414)

Background: The Library Subcommittee met on August 28 and heard a progress report on the Library, Garage, N. Main Street Streetscape and related projects. Construction continues on each of these redevelopment agency projects. Staff will provide a brief presentation on the progress of these projects.

Recommendation: Receive Progress Report on the new Library, East Parking Garage, and Related Project Numbers 8154, 8161, 8162, and 8165.

RA6. City of Milpitas Unaudited Financial Status Report for the Fiscal Year Ended June 30, 2007 (Staff Contact: Emma Karlen, 586-3145)

Background: Staff is in the process of preparing the Fiscal Year 2006-07 year end report for the financial audit. The unaudited financial report indicates that total General Fund revenue exceeds original budget projection by approximately \$5.7 million. Two of the major revenues, sales tax revenue and transient occupancy tax revenue were above budget by about 7% (\$1.2 million) and 20% (\$857,000) respectively. Other major revenues such as building permits and charges for services (primarily Planning and Engineering fees) also exceed budget, due to building activities from several large residential and commercial developments. Building Permit revenue exceeds original budget estimate by \$1.2 million or approximately 31%.

Other financial sources consist primarily of reimbursement from other funds for the administration and overhead expenditures paid by the General Fund and loan repayment from the Redevelopment Agency. The report shows that other financial resources were below budget by \$7.47 million, due to the following reasons. The updated Cost Allocation Plan recalculated the amount of reimbursement for administration and overhead expenses in the form of operating transfers to the General Fund. The result is a \$2.4 million decreased reimbursement to the General Fund. The funds that benefit from recalculation are primarily the Water and Sewer utility funds. This item is also discussed in the year-end budget adjustments report on a separate agenda item. In addition, Council approved deferring the loan repayment from RDA in order to assist the future General Fund budget. To date, the Redevelopment Agency has not made any payments towards the loan established by the Purchase and Sale Agreement. The net impact of these actions resulted in a \$7.47 million reduction of other financial sources to the General Fund.

On the expenditure side, the report shows that City departments were on track with their operating expenditures and even achieved an overall savings of 5% (approximately \$3.5 million) to the General Fund.

In June 2007, the City Council approved pre-funding retiree medical benefits by establishing an irrevocable trust with CalPERS. The City Council also approved an initial funding of approximately \$9.5 million, of which \$6.7 million was already set-aside in the General Fund reserve in prior years.

The combination of revenue increase, operating transfer decrease, budget savings and initial funding of retiree medical benefits results in a net reduction of approximately \$4.22 million to the total General Fund reserve.

Recommendation: Receive the Finance staff report on Fiscal Year 2006-07 year-end status.

***RA7. Approve Fiscal Year 2006-07 Year-End Budget Adjustments and Adopt Agency Resolution (Staff Contact: Emma Karlen, 586-3145)**

Background: Finance staff is in the process of closing the City and Redevelopment Agency books for Fiscal Year 2006-07. To maintain conformity with the City's budgeting policies and to prepare for the annual external audit, year-end budget adjustments are necessary to address items that were not known at the time the FY 2006-07 budget was developed.

All funds, department's and project budgets have been reviewed to determine necessary adjustments. A summary of the various budget transfers and appropriations is included.

The overall fiscal impact of the budget adjustments is a net \$549,633 reduction to the fund balances of various funds, which include \$2,374,207 reduction to the General Fund and \$1,824,574 adjustments to other funds. There are sufficient balances in these various funds to support the additional budget appropriations or adjustments.

The detail for each budget adjustment item is described below.

Budget appropriation that does not impact fund balances:

1. Transfer \$2,600 budget appropriation from the Planning and Neighborhood Services Department to the Finance Department for the administration of Housing and Community Development (HCD) grants. The FY 06-07 budget underestimated the amount of time required for the administration of the HCD grants in the Finance Department. There is available HCD funding allocated to the Planning and Neighborhood Services Department budget for this purpose.

Budget appropriations or operating transfers that do impact the fund balances:

1. Adjust the amount of operating transfers to the General Fund from various funds. The updated Cost Allocation Study re-calculated the amount of administrative and overhead reimbursements differently from the original budget. The effect of the re-calculations impacts the various funds as follows: decrease operating transfers of \$1,013,466 from the Redevelopment Project Fund, \$1,458,453 from the Water Operating Fund, and \$822,883 from the Sewer Operating Fund, and increase operating transfers of \$111,299 from the Solid Waste Fund, \$646,211 from the Housing Reserve Fund, and \$163,085 from the Recycled Water operating fund. The net result of the adjustments is a reduction of \$2,374,207 in operating transfers to the General Fund. There is a sufficient fund balance in the General Fund to absorb the difference.
2. Increase the budget appropriation of the Planning and Neighborhood Services Department in the amount of \$400,000, due to additional Housing Rehab loans approved and disbursed in FY 2006-07. Funding is available from the Housing and Community Development Loan Fund, which is fully reimbursable by Community Development Block Grants.
3. Increase the budget appropriations of the Planning and Neighborhood Services Department and Police Department by \$15,000 and \$12,000 respectively. The FY 2006-07 budget overestimated the amount of contribution from the County for the administration of Abandoned Vehicle abatement by \$27,000. Funding is available in the remaining fund balance of the Abandoned Vehicle Fund to pay for these expenditures.
4. Increase the budget appropriation of the RDA and Economic Development Division by \$110,906. The division incurred expenditures for consultant fees and mailings for the preparation of the Redevelopment Plan amendment that was adopted in FY 06-07. Funding is available from the Redevelopment Project Fund. The expenditures will be fully reimbursable by a developer.

5. Increase the budget appropriation of the Street Operating Fund in the amount of \$11,727 to reimburse Calvary Church for the cost of street improvement performed on behalf of the City. Funding is available from the fund balance of the Street Operating Fund.

In addition, it is recommended that the City Council/Agency adopt a resolution to determine that the funding of planning and administration expenses funded by the Housing Reserve Fund in FY 06-07 are necessary for the production, improvement and/or preservation of affordable housing for low and moderate income households. The Agency Board adopted a similar resolution as required by the Community Redevelopment Law at the time of FY 06-07 budget adoption but because of the amount adjusted as a result of the Cost Allocation Study, it is prudent for the Agency Board to adopt a new resolution to re-affirm the determination.

Recommendation:

1. Approve the Fiscal Year 2006-07 year-end budget appropriations and transfers, as itemized in the budget change form included in the Agency/Council agenda packet.
2. Adopt Redevelopment Agency Resolution determining the planning and administration expenses funded in Fiscal Year 2006-07 by the Housing Reserve Fund are necessary for the production, improvement and/or preservation of affordable housing for low and moderate income households.

***RA8. Receive the 2007-2008 Final Budget and the 2007-2012 Final Capital Improvement Program (Staff Contact: Emma Karlen, 586-3145)**

Background: Transmitted herewith are the 2007-2008 Final Budget and the 2007-2012 Final Capital Improvement Program incorporating the changes approved by the City Council/Agency during the May 16, 2007 budget hearing. The budget appropriations total \$128,806,631, which includes \$8,445,000 for Capital Projects in the first year of the five-year plan was adopted by the City Council on June 5, 2007.

Recommendation: Receive the Final Budget for the FY2007-08 and the 2007-12 Capital Improvement Program.

***RA9. Authorize the Agency Executive Director to Execute Certificate of Completion Pertaining to Certain Residential Units Within Tract No. 9698, KB Home Terra Serena (Staff Contact: Mehdi Khaila, 586-3328)**

Background: On January 18, 2005, the City of Milpitas Redevelopment Agency and KB Home South Bay, Inc., entered into a Disposition and Development Agreement (DDA) concerning the residential development, Terra Serena. The recorded grant deed, which conveyed the subject real property from the Agency to KB Home, requires that the Redevelopment Agency issue a Certificate of Completion upon the completion of the infrastructure improvements in accordance with the DDA. Certain improvements have been satisfactorily completed to serve certain residential units as shown on the Certificate of Completion, and therefore the certificate of completion may be granted to only those housing units.

Recommendation: Authorize the Agency Executive Director to execute Certificate of Completion, pertaining to certain residential units within Tract 9698, KB Home Terra Serena Project No. 3160, subject to approval of the City Attorney as to form.

RA10. Agency Adjournment

XIII. REPORTS OF OFFICER

City Council

- * 1. **Approve Mayor Esteves' Recommendations for Appointments/Re-Appointments to City Commissions (Contact: Mayor Esteves, 586-3029)**

Background: Mayor Esteves recommends the following Milpitas residents be re-appointed:

Bicycle, Pedestrian Advisory Commission:

Re-appoint Cheryl Bunnell to a term that expires in August 2010.

Re-appoint Jose Leon to a term that expires in August 2010.

Sister Cities Commission:

Re-appoint Roselda Mateo to a term that expires in September 2010.

Re-appoint Nolan Chen as Alternate No. 2 to a term that expires in September 2009.

Youth Advisory Commission:

Appoint Richard A. Albana to a term that expires in September 2008.

Appoint Sareen Sandhu (current Alternate No. 2) as a regular member to a term that expires in September 2008.

Appoint Brian Leon as Alternate No. 2 to a term that expires in September 2008.

Recommendation: Move to approve the Commission appointments/re-appointments.

* 2. **Approve Mayor Esteves' Recommendation for Planning Commission Appointment (Contact: Mayor Esteves, 586-3029)**

Background: Mayor Esteves recommends that Glen Keith Cross be appointed to the Planning Commission to a term that expires in December 2009.

Recommendation: Move to approve appointment of Glen Keith Cross to the Planning Commission.

XIV. ORDINANCE

3. **Approve FY 03-04, FY 04-05 and FY 05-06 Accounts Receivable Write-offs and Introduce Ordinance No. 274 to Expand the Definition of a Public Nuisance and to Provide a Cost Recovery Mechanism for Public Nuisance Abatement (Staff Contact: Emma Karlen, 586-3145)**

Background: Included in the Council agenda packet is a list of accounts receivable from FY 04 through FY 06 that have remained unpaid. Staff requests that the City Council approve the write-offs. When the invoices were first sent to the customers, normal accounting procedures require the City to record accounts receivable and revenues as the expectation is that the City would be able to collect within a short period of time. However, when the accounts receivable have been outstanding for more than a year and after Finance Department has exhausted all the currently available collection methods, it would be prudent to write off these accounts so as not to overstate the City's assets.

The list in the agenda packet identifies each account by category, amount and the reasons for write-off. It should be noted that the City's collection rate is high by any industry standards. The proposed write-offs amount of \$247,541 is less than 0.4% of all the amounts invoiced in the last three years. The following table shows the collection rate by invoice category.

Invoice category	Amount billed in the last 3 years	Collection Rate
Utility accounts and related svcs	\$ 61,952,228	99.83%
Animal violations	41,350	73.84%
Neighborhood Ord. violations	26,290	46.75%
Shopping cart retrievals	47,512	99.26%
Fire inspections/permits/citations	560,921	99.04%
False alarms	158,050	95.14%

DUI cost recoveries	18,231	54.13%
Other cost recoveries & damages	140,509	87.72%
Recreation fees	3,934,062	99.99%
Private development jobs	3,324,785	98.37%
Misc. other services	3,860,247	99.99%
Bounced checks	45,963	90.53%
Total	\$ 74,110,148	99.67%

Staff realizes that there are some categories that are below 90% collection rate. In the attached staff report, proposed are several recommendations to further improve revenue collection. These will be presented at the City Council meeting.

Recommendations:

1. Approve the FY 03-04, FY 04-05 and FY 05-06 Accounts Receivable Write-offs.
2. Waive the first reading beyond the title of Ordinance No. 274.
3. Introduce Ordinance No. 274 to add Chapter 1100 to Title V of the Milpitas Municipal Code to expand the definition of a public nuisance and to provide a cost recovery mechanism for public nuisance abatement.

XV. RESOLUTIONS

- * **4. Adopt Resolution Request of Management/Unrepresented Employees Cost of Living Increase and Benefit Package (Staff Contact: Tom Williams, 586-3050)**

Background: This item is to consider a cost of living increase and benefit change for Unrepresented Employees. This category includes the eleven Department Heads/division managers, four Battalion Chiefs, Fire Marshal, Assistant Fire Marshal, three Police Commanders, and one acting Capital Improvement Program Manager. These employees last received a pay increase in July 2004 of 4.6%.

To date, the City has completed negotiations with each employee union except the nine member Milpitas Supervisors Association (MSA) and is therefore an appropriate time to consider this proposed salary increase and benefit change. Pursuant to the City's Open Government ordinance, discussion and consideration of salary and benefits for unrepresented employees must be conducted in public. As such, the Finance Subcommittee reviewed the following proposed cost of living increase and benefit package on August 15, 2007, and recommended, by a 2-0 vote, approval to the full City Council.

Unrepresented/Executive Management

- 0% - Fiscal Year 2005-06
- 3.6% - Effective the first full pay period of January 2007
- 3.75% - Effective the first full pay period of July 2007

Executive Management Benefit

- Management Incentive Pay (MIP): Senior Management employees shall receive 5 hours of administrative leave each pay period. No more than 260 hours of such administrative leave may be accumulated at any one time.

Fire Command Staff – to gain parity with Police Command Staff:

- Increase uniform allowance to \$1000 (currently \$846)
- 1% Retiree Dependent Fund (excluding Fire Chief)

Management Leave

- 40 hours Annual Management Leave – with City Manager or Department Head approval and to be used within the calendar year or lose it. This benefit is for unrepresented, non-

Executive Management employees only. Exceptions: Fire Battalion Chiefs assigned to 56 hours are not eligible for this benefit because they are entitled to overtime pay and executive management is not eligible for this benefit due to the MIP proposed.

Recommendation: On August 15, 2007, the Finance Subcommittee recommended to the City Council approval of the proposed cost of living increases and benefit changes. Move to adopt Resolution authorizing the pay and benefits in the proposal above.

* **5. Adopt Resolution Amending the City of Milpitas Classification Plan (Staff Contact: Carmen Valdez, 586-3086)**

Background: Periodically, amendments to the Classification Plan are required to account for organizational changes, equity adjustments to salary ranges, and the development of new classifications. The following proposed change is the result of organizational changes within the City Attorney's Office.

On April 3, 2007, the City Council directed staff to move forward with in-house legal services versus contract services. Based on City Council direction, staff conducted an internal recruitment and is now in the final stages of making an offer of employment. The recommendation is to create a City Attorney classification with a recommended annual salary range of \$159,204.33 - \$184,298.92.

Recommendation: Adopt a resolution amending the City of Milpitas Classification Plan to add a new classification of City Attorney, with a salary recommendation of \$159,204.33 - \$184,298.92.

* **6. Approve Public Improvement Plans and Final Map; Authorize City Manager to Execute the Secured Subdivision Improvement Agreement, and Adopt Resolution Certifying the Project's Annexation to Community Facilities District No. 2005-1, for Calaveras Estates, Tract No. 9891, Project No. 3179 (Staff Contact: Mehdi Khaila, 586-3328)**

Background: This 5-lot residential subdivision will be served by public utilities located within Calaveras Road (a public street). The final map and improvement plans are ready for approval. Copies of the Subdivision Improvement Agreement and excerpts of the final map and improvement plans are included with the Council agenda packet. A complete set of the final map and improvement plans are available for review in the office of the City Engineer.

Calaveras Country Estates, LLC (the owner of Tract 9891) is also required to annex the subject property into the Community Facilities District 2005-1. Resolution No. 7521 adopted by the City Council on May 17, 2005, forming CFD 2005-1, authorized the City to annex properties to CFD 2005-1, which would then be assessed only for eligible public services without further public hearing or formal election upon receipt of written consent from the owners.

Calaveras Country Estates, LLC has given consent and approval for this property to be annexed to CFD 2005-1. Calaveras Country Estates, LLC has agreed that such consent and approval constitutes election to annex to CFD 2005-1 and approval and authorization to levy the special tax on the subject properties.

Recommendations:

1. Approve public improvement plans and final map for Project No. 3179.
2. Authorize the City Manager to execute the secured Subdivision Improvement Agreement subject to the approval of the City Attorney as to form.
3. Adopt Resolution Certifying and Annexing Tract No. 9891 to Community Facilities District No. 2005-1.

XVI. BIDS AND CONTRACTS

- * **7. Authorize the City Engineer to Execute a Contract Change Order with Norwood Construction for Milpitas Communication Enhancements—Phase 1, Projects No. 4232 and 8093 (Staff Contact: Jaime Rodriguez, 586-3335)**

Background: The City Council awarded this project to Norwood Construction on May 15, 2007, and construction is underway. This is the first of a three-phase communications enhancement project to improve communications and introduce redundancy in communications between City facilities. Upon completion in mid-September 2007, this first phase will provide new fiber optic and traffic signal communication cables between the Department of Public Works and the Main Fire Station, including a connection to the new City facilities on N. Main Street including the Library and the West Parking Garage.

Staff recommends the following additional work to activate the newly installed cables and to help support the next two phases: 1) install cable termination panels in the Public Works Data Center, West Parking Garage and the Main Fire Station including termination of the new cables onto the new panels, and 2) install a 3” galvanized pipe along the bridge over Berryessa Creek on N. Milpitas Blvd. and pull boxes at each end to help minimize extra effort for phase two of the project. Staff has negotiated a fee not to exceed \$40,428 with the contractor for this additional work, and the approval of a contract change order is requested. Sufficient funds are available for this change order from the following project budgets (totaling \$40,428):

- CP4232 – Milpitas Communication Enhancements – Phase 1 (\$17,700)
- CP8093 – Telecommunications Infrastructure (\$22,728)

Recommendation: Authorize the City Engineer to execute the Contract Change Order for Milpitas Communication Enhancements – Phase 1, Projects No. 4232 and 8093, with Norwood Construction in the amount of \$40,428.

- * **8. Award the Bid for Energy Efficiency Measures – Existing Lighting Retrofits to T. Marshal Assoc., Ltd. (Staff Contact: Chris Schroeder, 586-3161)**

Background: On August 2nd, 2007, staff went out to bid to retrofit the lighting in the Police and Public Works building, the Community Center, the Sports Center and Teen Center with energy efficient replacements. Purchasing worked closely with Facilities Maintenance and ABAG “Energy Watch” consultant Energy Solutions to develop the specification. The estimated cost of the retrofit work was \$85,400. With a rebate of \$54,300 from PG&E, the net cost to the City will be \$31,100. Upon completion of the retrofits, staff estimates that future energy savings will be approximately \$81,800 annually.

Bids were mailed to forty-nine (49) contractors, advertised in the Milpitas Post, on the City web page and on the following bulletin boards: The Blue Book, McGraw Hill, Reed Construction Data, and E-BidBoard.com. The following is a recap of the bids received.

<u>Bidder</u>	<u>Total Bid</u>
T. Marshal Assoc., Ltd.	\$83,548.68
Amtech Lighting services	\$89,500.00
Mark Electric	\$169,753.00
Rosendin Electric	\$826,936.00

Funds are available from CIP No. 8182, City Building Improvements for this purchase.

Recommendation: Award the bid for Energy Efficiency Measures – Existing Lighting Retrofits to T. Marshal Assoc., Ltd., and authorize the City Manager to sign a contract for the not to exceed amount of \$83,548.68, subject to approval as to form by the City Attorney.

- * **9. Award the Bid for McCarthy Ranch Landscape Maintenance Services to Jensen Landscape Services Inc. (Staff Contact: Chris Schroeder, 586-3161)**

Background: On August 1, 2007 the City went out to bid for landscape maintenance services for the McCarthy Ranch Landscape Maintenance District. Purchasing staff worked closely with the Public Works Tree and Landscape Maintenance Section to develop the specifications and bid package for the Requests For Proposal (RFP).

The RFP was mailed to fifty-three (53) contractors, advertised in the Milpitas Post, on the City web page and on the following bulletin boards: The Blue Book, McGraw Hill, Reed Construction Data, and E-BidBoard.com.

A committee of five evaluated and scored the bids based on nine criteria and interviewed the top three bidders. The final recommendation for award to Jensen Landscape Services Inc. is based on the proposal considered to be the most advantageous to the City. Best and final negotiations were conducted with the proposer to achieve a savings of \$2,176 per year by having the City, instead of the bidder, supply the mulch by recycling wood chips from the City tree-trimming program. The negotiated price for this contract is \$73,824 annually. The contract period for these services is for one year with 2 one-year options for renewal.

Funds are available from the McCarthy Ranch Assessment District Operating Budget for this purchase.

Recommendation: Award the bid for McCarthy Ranch Landscape Maintenance Services to Jensen Landscape Services Inc., and authorize the City Manager to sign a contract for the not-to-exceed amount of \$73,824 for the first year of the contract, subject to approval as to form by the City Attorney.

XVII. ADJOURNMENT

**NEXT REGULARLY SCHEDULED COUNCIL MEETING
TUESDAY, SEPTEMBER 18, 2007 AT 7:00 P.M.**