



**MILPITAS CITY COUNCIL MEETING AGENDA  
AUGUST 5, 2008**

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**6:00 P.M. (CLOSED SESSION) • 7:00 P.M. (PUBLIC BUSINESS)  
455 E. CALAVERAS BOULEVARD**

**SUMMARY OF CONTENTS**

- I. CALL TO ORDER/ROLL CALL (6:00 p.m.)**
- II. ADJOURN TO CLOSED SESSION OF CITY COUNCIL**  
  
**CONFERENCE WITH LABOR NEGOTIATOR - COLLECTIVE BARGAINING**  
(Pursuant to CA Government Code §54957.6) City Negotiator: Carmen Valdez  
Employee Group: Milpitas Professional and Technical Group (ProTech)  
Under Negotiation: Wages, Hours, Benefits, and Working Conditions
- III. CLOSED SESSION ANNOUNCEMENT:** Report on action taken in Closed Session, if required pursuant to CA Govt. Code §54957.1, including the vote on abstention of each member present
- IV. PLEDGE OF ALLEGIANCE (7:00 p.m.)**
- V. INVOCATION (Mayor Esteves)**
- VI. APPROVAL OF COUNCIL MEETING MINUTES – June 17, 2008**
- VII. SCHEDULE OF MEETINGS - Council Calendar for August 2008**
- VIII. PRESENTATIONS**  
  
**Proclamation and Service Award Plaque** to retired Police Commander David Rossetto  
  
**Special Presentation** to the delegation visiting from Sister City - Tsukuba, Japan
- IX. PUBLIC FORUM**  

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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.

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- X. ANNOUNCEMENTS**
- XI. ANNOUNCEMENT OF CONFLICT OF INTEREST**
- XII. APPROVAL OF AGENDA**
- XIII. CONSENT CALENDAR (Items with asterisk\*)**
- XIV. PUBLIC HEARINGS**

- 1. Adopt Resolution Confirming Assessments, Weed Abatement Report and Assessment List  
(Staff Contact: Albert Zamora, 586-3371)**

2. **Introduce Ordinance No. 38.778 to Change the Zoning of a 1.17 Acre Parcel Located at the End of Hanson Court from Agriculture (A) to Industrial Park (MP) (Staff Contact: James Lindsay, 586-3273)**
3. **Introduce Ordinance No. 38.779 and Adopt Resolution Approving the Sinclair Renaissance Residential Project that Includes the Following Applications: General Plan Amendment No. GM2006-2, Zone Change No. ZC2007-8, "S" Zone No. SZ2007-10, Planned Unit Development No. PD2007-1, Vesting Major Tentative Map No. MA2007-4, and Environmental Impact Assessment No. EA2007-6 (Staff Contact: Cindy Hom, 586-3284)**
4. **Introduce Ordinance No. 38.780 for Zoning Amendment No. ZA 08-0005 to Streamline Existing Zoning Code (Staff Contact: Sheldon Ah Sing, 586-3278)**

**XV. UNFINISHED BUSINESS**

5. **Review Proposed Amendments to the Mobile Home Park Conversion Ordinance (Staff Contact: Felix Reliford, 586-3071)**

**XVI. JOINT REDEVELOPMENT AGENCY AND CITY COUNCIL MEETING**

- RA1. Call to Order by the Mayor/Chair**
- RA2. Roll Call**
- RA3. Approval of Minutes (June 17, 2008)**
- RA4. Approval of Agenda and Consent Calendar (Items with asterisk\*)**
- RA5. Receive Progress Report on Library and North Main Streetscape Projects No. 8162 and No. 8165 (Staff Contact: Steve Erickson, 586-3414)**
- \*RA6. Adopt Resolution Granting Initial Acceptance for North Main Street Streetscape Phase I, Project No. 8165 (Staff Contact: Steve Erickson, 586-3414)**
- \*RA7. Award Construction Contract to Joseph J. Albanese, Inc. and Authorize the Agency Executive Director to Execute Amendment No. 2 to the Agreement with Brian Kangas Foulk Engineers for Midtown North Main Street Streetscape Improvement Project, Phase 2, Projects No. 8165 and No. 8153, Federal Aid Project No. RPSTPLE 5314 (004) (Staff Contact: Steve Erickson, 586-3414)**
- \*RA8. Authorize Staff to Proceed with Bidder Pre-qualification Package and Adopt a Resolution Approving the Final Initial Study/Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program for the Milpitas Senior Center, Project No. 8176 (Staff Contact: Greg Armendariz, 586-3317)**
- \*RA9. Authorize the Agency Executive Director to Execute Amendment No. 1 to the Agreement with Critical Solutions Inc. for Pre-construction Design Review Services for Senior Center Project No. 8176 (Staff Contact: Steve Erickson, 586-3414)**
- \*RA10. Authorize the City Engineer to Execute a Contract Change Order for the Singley Area Street Rehabilitation, Phase V, Project No. 8193 (Staff Contact: Jeff Leung, 586-3326)**
- \*RA11. Approve and Authorize Agency Executive Director to Execute Agreement with Landtech Consultants, for Bay Area Rapid Transit Extension, Project No. 8164 (Staff Contact: Greg Armendariz, 586-3317)**

- \*RA12. Approve Budget Appropriation and Award Construction Contract to Balch Petroleum Builders and Contractors, Inc. for the Corporation Yard Canopy, Project No. 8183 (Staff Contact: Jeff Leung, 586-3326)**
- \*RA13. Receive City of Milpitas Investment Portfolio Status Report for the Quarter Ended June 30, 2008 (Staff Contact: Emma Karlen, 586-3145)**
- RA14. Agency Adjournment**

**XVII. REPORT OF OFFICERS**

**City Council**

- 6. Consideration of Petition from Milpitas Residents Regarding Milpitas Tidal Waves Swim Program Staffing (Contact: Mayor Esteves, 586-3029)**
- \* 7. Consider Mayor's Recommendations for Appointments/Re-appointments to Milpitas Commissions (Contact: Mayor Esteves, 586-3029)**
- 8. Consider the Initiation of a Residential Front Yard Beautification Program (Contact: Councilmember Giordano, 586-3032)**

**XVIII. NEW BUSINESS**

- 9. Receive Report on Public Art Program Evaluation (Staff Contact: Diana Whitecar, 586-3059)**
- \* 10. Direct Staff to Study the Feasibility of Providing a City Match for the Santa Clara Valley Water District Landscaping Rebate (Staff Contact: Kathleen Phalen, 586-3345)**
- \* 11. Authorize the Purchasing Agent to Dispose of Four Surplus Ford Sedan Vehicles at Auction (Staff Contact: Chris Schroeder, 586-3161)**

**XIX. BIDS AND CONTRACTS**

- \* 12. Award the Bid and Authorize the City Manager to Execute a Contract for Publishing the Recreation Services Activity Guide with Fricke-Parks Press, Inc. (Staff Contact: Chris Schroeder, 586-3161)**
- \* 13. Award Construction Contract to Anderson Pacific Engineering Construction, Inc. for the Venus Pump Station Rehabilitation, Project No. 6101 (Staff Contact: Jeff Leung, 586-3326)**
- \* 14. Approve Contract for Personnel Services with ADHR Consulting (Staff Contact: Carmen Valdez, 586-3086)**
- \* 15. Approve the Transition of Voice and Data Telecommunications Services from the State of California Calnet I Contract to the New Calnet II Contract (Staff Contact: Chris Schroeder, 586-3161)**
- \* 16. Approve Amendment No. 2 to the Contract with Empire Maintenance Services for Janitorial Services (Staff Contact: Chris Schroeder, 586-3161)**

**XX. CLAIMS AND DEMANDS**

- \* 17. Receive Report on Emergency Tree Trimming Service (Staff Contact: Chris Schroeder, 586-3161)**

- \* 18. **Approve Purchase of Additional Police Mobile Computer Hardware and Software from Data 911 Systems (Staff Contact: Chris Schroeder, 586-3161)**

**XXI. ADJOURNMENT**

**NEXT REGULAR MEETING  
TUESDAY, AUGUST 19, 2008**

**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, CONTACT THE OPEN GOVERNMENT SUBCOMMITTEE**

at the City Attorney's office at Milpitas City Hall, 455 E. Calaveras Blvd., Milpitas, CA 95035

E-mail: [mogaz@ci.milpitas.ca.gov](mailto:mogaz@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](http://www.ci.milpitas.ca.gov)*

Materials related to an item on this agenda submitted to the City Council/Redevelopment Agency after initial distribution of the agenda packet are available for public inspection at the City Clerk's Office/Information Desk at Milpitas City Hall, 455 E. Calaveras Blvd., Milpitas, and at the Milpitas Library during normal business hours.

**BECOME A CITY COMMISSIONER!**

Currently, there are openings for the:

*Community Advisory Commission*

*Economic Development Commission*

*Emergency Preparedness Commission (Industry Rep)*

*Mobile Home Park Rental Review Board*

*Recycling and Source Reduction Advisory Commission*

*Senior Advisory Commission*

*Youth Advisory Commission*

Applications are available online at [www.ci.milpitas.ca.gov](http://www.ci.milpitas.ca.gov) or at the City Hall Information Desk.

Contact the City Clerk's office (586-3003) for more information.

*If you need assistance, per the Americans with Disabilities Act, for any City of Milpitas public meeting, call the City Clerk at 586-3001 or send an email to [mlavelle@ci.milpitas.ca.gov](mailto:mlavelle@ci.milpitas.ca.gov) prior to the meeting. You may request a larger font agenda or arrange for mobility assistance. For hearing assistance, headsets are available in the Council Chambers for all meetings. TDD phone number (408) 586-3013.*

## AGENDA REPORTS

### XIV. PUBLIC HEARINGS

**1. Adopt Resolution Confirming Assessments, Weed Abatement Report and Assessment List (Staff Contact: Albert Zamora, 586-3371)**

**Background:** In accordance with Chapter 202, Weed Abatement, of the Milpitas Municipal Code, the County Department of Agriculture and Resource Management Office of the Fire Marshal has filed with the City Clerk a report and assessment list on weeds abated within the City. The report has been posted and notice of the public hearing was published in the local newspaper.

The City's ordinance provides that the City Council "shall hear the report together with any objections of the property owner liable to be assessed and make such modifications on the proposed assessment as it deems necessary."

After adoption by the City Council, the resolution will be recorded and charges thereon become a lien on the land involved to be collected in the same manner as property taxes. A copy of the assessment list and the proposed resolution are included in the Council's agenda packet.

**Recommendations:**

1. Close the public hearing, after hearing any testimony.
2. Adopt City of Milpitas resolution confirming assessments for weed abatement for 2008.

**2. Introduce Ordinance No. 38.778 to Change the Zoning of a 1.17 Acre Parcel Located at the End of Hanson Court from Agriculture (A) to Industrial Park (MP) (Staff Contact: James Lindsay, 586-3273)**

**Background:** The public hearing for this item was opened at the June 17<sup>th</sup> City Council meeting and was continued to the August 5<sup>th</sup> meeting. The property owner submitted an application requesting the 1.17 acre parcel (APN 28-17-001) located at the end of Hanson Court be rezoned from Agricultural to Industrial Park. All the parcels on the east side of Hanson Court (including the subject site) have an Industrial Park land use designation in the General Plan. The same parcels are within the Industrial Park (MP) zoning district, except for this 1.7 acre site. No applications for developing the parcel have been submitted at this time.

**Fiscal Impact:** None.

**Recommendation:** Staff recommends the City Council:

1. Close the public hearing following the public hearing for testimony.
2. Move to waive the first reading of Ordinance No. 38.778 beyond the title.
3. Introduce Ordinance No. 38.778 related to rezoning APN 28-17-001.

**3. Introduce Ordinance No. 38.779 and Adopt Resolution Approving the Sinclair Renaissance Residential Project that Includes the Following applications: General Plan Amendment No. GM2006-2, Zone Change No. ZC2007-8, "S" Zone No. SZ2007-10, Planned Unit Development No. PD2007-1, Vesting Major Tentative Map No. MA2007-4, and Environmental Impact Assessment No. EA2007-6 (Staff Contact: Cindy Hom, 586-3284)**

**Background:** On June 25, 2008, the Planning Commission approved "S" Zone No. SZ2007-10 and recommended to the City Council approval of a General Plan Amendment (GM2006-2), Zone Change (ZC2007-8), Major Vesting Tentative Map (MA2007-4), Planned Unit Development (PD2007-1) and Environmental Assessment (EA2007-6) to change the land use designation from industrial to residential that would allow for the construction of 80 new detached single family homes, 0.34 acre private park, and installation of associated site

improvements on 9.65 acres located at Sinclair Frontage Road, north of Wrigley Way (APNs: 086-29-061, 086-29-062, 086-29-075, 086-29-076 and 086-29-042).

The application request is summarized below:

- A General Plan Amendment to change the land use designation from “Manufacturing and Warehousing ” to “Single Family Moderate Density,”
- A Zone Change to change the underlying zoning of the site from “Heavy Industrial” to “Single Family Residential minimum 3,000 square foot with the “S” Combining District” to ensure consistency between the modified General Plan land use designation and require City Council adoption of Ordinance No. 38.779,
- Vesting Major Tentative Map to create residential and common lots (parks) and assign responsibility for maintaining infrastructure,
- Planned Unit Development to allow for diverse development standards for setbacks, and
- S-Zone permit (since changed to Site Development Permit) for site and architectural review of a new residential subdivision consisting of (80) detached, two-story single family homes, .34 acre private park, and associated site improvements.

Planning staff conducted an initial environmental assessment of the project in accordance with the California Environmental Quality Act (CEQA). An Initial Study and Mitigated Negative Declaration (EA2007-6) were prepared and circulated for this project. The environmental assessment determined there would be no significant impacts related to this project. As conditioned, the project shall adhere to a mitigation-monitoring program that ensures potential environmental impacts are reduced to a less than significant level.

Provided with Council’s agenda packet are the following: June 25, 2008 Planning Commission meeting minutes, draft City Council Resolution, and proposed Ordinance No. 38.779. Additional material, including project plans and layout, is available on the City web site.

**Fiscal Impact:** No Impact

**Recommendations:**

1. Close the Public Hearing after hearing any testimony.
2. Adopt Resolution approving the General Plan Amendment (GM2006-2), Vesting Major Tentative Map (MA2007-4), Planned Unit Development No. PD2007-1, and S-Zone (SZ2007-10) subject to the findings and special conditions prepared by staff and contained in the Council’s agenda packet.
3. Waive the first reading beyond the title of Ordinance No. 38.779.
4. Introduce the Zoning Ordinance No. 38.779.

**4. Introduce Ordinance No. 38.780 for Zoning Amendment No. ZA 08-0005 to Streamline Existing Zoning Code (Staff Contact: Sheldon Ah Sing, 586-3278)**

**Background:** Early this year the City Council approved a series of changes to the zoning ordinance to streamline the approval process for minor projects. The series of changes proposed in this amendment continues the process that will ultimately result in a comprehensive update to the zoning ordinance making it easier to understand and implement. This amendment consists primarily of reformatting sections and providing further clarification with no substantial changes to regulations or standards. The Planning Commission unanimously recommended the City Council adopt the changes at its July 9<sup>th</sup> meeting.

Attachment A includes staff’s report to the Planning Commission including detailed discussion of the changes. A strikeout version of the proposed ordinance changes is available on the City web site. Attachment B includes the 95 page draft Ordinance

**Fiscal Impact:** None.

**Recommendations:**

1. Close the public hearing following hearing of any testimony.
2. Waive the first reading beyond the title of Zoning Ordinance No. 38.780.
3. Introduce Ordinance No. 38.780.

## XV. UNFINISHED BUSINESS

### 5. Review Proposed Amendments to the Mobile Home Park Conversion Ordinance (Staff Contact: Felix Reliford, 586-3071)

**Background:** During the review of the Conversion Impact Report for the South Main Street Mobile Home Park, the City Council raised several questions regarding the City's existing Mobile Home Park Conversion ordinance and directed staff to review the ordinance and report back to the City Council. After reviewing the ordinance (Title XI, Chapter 20 of the Milpitas Municipal Code) and comparing it to other cities, staff is recommending two substantial amendments strengthening the rights of the both mobile home owners and tenants and increasing the amount of relocation assistance. The existing ordinance was adopted in 1988 and has not been updated since that time. The following is a summary of the recommend changes:

#### Rights for Mobile Home Owners and Tenants

- Provide at least a sixty (60) day lease termination notice for any cause to the mobile home park property owner for terminating lease or rental agreement after filing 15% vacancy rate notice.
- No increase in rents after the filing of notice of 15% vacancy occupancy rate pursuant to XI-20-6.01 (Occupancy of Park Below 15%-Filing Notice).
- Prohibit coercion or retaliatory action against any mobile home owner or tenant, including pressure to support or refrain from opposing the Conversion Impact Report.

#### Relocation and Purchase Assistance

The owner of a park being converted would provide the following relocation benefits to both mobile home owners and tenants:

#### *Mobile Home Owners Living in the Park Subject to Conversion*

- Provide a minimum of \$5,000 for the housing assistance relocation costs adjusted annually, as determined by the Consumer Price Index for the San Francisco-Oakland-San Jose Metropolitan Area. The existing ordinance adopted in 1988 allocates only \$1,500 for housing relocation assistance as adjusted by inflation, which is approximately \$2,800 in 2008.
- Owners choosing to have their homes relocated to a new park:
  - Increase the relocation distance from 20 miles to 30 miles.
  - Provide for the costs of moving personal property (in addition to the mobile home) and temporary housing for the number of nights required to move and set-up the mobile home in the new park.
- Owners choosing to receive compensation for their homes:
  - Increase the compensation amount from 95% to 100% of the in-place value and include any structures installed with the approval of the park owner.

#### *Mobile Home Park Tenants*

- Provide a minimum of \$5,000 for the housing assistance relocation costs adjusted annually, as determined by the CPI for the San Francisco-Oakland-San Jose Metropolitan Area. The existing ordinance does not require any housing assistance for tenants of mobile homes.
- Provide for the costs of moving personal property.

The City Council Finance Subcommittee reviewed the proposed amendments, due to the potential increased costs to convert a mobile home park, and recommended approval to the City Council. Also, the Finance Subcommittee recommended that staff conduct community outreach to the

three existing mobile home parks within the City and to inform park owners/tenants/ mobile home owners about the proposed amendments and receive any feedback or comments prior to the public hearing before the Planning Commission. Additional amendments may also be incorporated into the final draft, based on the outcome of the community comments.

**Fiscal Impact:** None

**Recommendations:**

1. Direct staff to proceed with the proposed amendments to the Mobile Home Park Conversion Ordinance.
2. Direct staff to conduct community meetings in existing Milpitas mobile home parks to obtain public input and comments prior to setting the public hearing to amend the ordinance.

**XVI. JOINT REDEVELOPMENT AGENCY AND CITY COUNCIL MEETING**

**RA1. Call to Order by the Mayor/Chair**

**RA2. Roll Call**

**RA3. Approval of Minutes** (June 17, 2008)

**RA4. Approval of Agenda and Consent Calendar** (Items with asterisk\*)

**RA5. Receive Progress Report on Library and North Main Streetscape Projects No. 8162 and No. 8165** (Staff Contact: Steve Erickson, 586-3414)

**Background:** Construction continues on the new Library and Streetscape projects. Staff will provide a brief presentation on their progress.

**Library, Project No. 8162**

S. J. Amoroso continues with installation of drywall, flooring, paint, mechanical, electrical, and plumbing fixtures. Exterior site work around the perimeter of the library in preparation for final paving, concrete flat work, and landscaping continues. The furniture, casework, and signage subcontractors are in the production phase. The work is on schedule and budget.

**N. Main Streetscape, Project No. 8165**

The phase I project constructed by JJR Construction has been completed and is ready for initial acceptance. The recommendation for initial acceptance will be presented to the Agency/City Council at this meeting.

The phase II project has been advertised and bids were opened on July 15, 2008. Phase II work includes: pavement striping in front of the library, Winsor Avenue cul-de-sac improvements, Main Street improvements from Highway 237 to Carlo Street, and it includes replacement of a water line on Carlo Street. The award of the project to the lowest responsible bidder is recommended to the Agency/City Council on this agenda, under a separate staff report.

**Fiscal Impact:** None

**Recommendation:** Receive progress report from staff on the new Milpitas Library and North Main Streetscape Projects.

**\*RA6. Adopt Resolution Granting Initial Acceptance for North Main Street Streetscape Phase I, Project No. 8165** (Staff Contact: Steve Erickson, 586-3414)

**Background:** This project provided for new pedestrian-friendly streetscape improvements along North Main Street to support the DeVries Senior Housing, new Library, and other Midtown improvements. Phase I of the project provided: new pavement lanes, wide sidewalks, median island, attractive street lighting, traffic signal infrastructure, and landscape improvements on

North Main Street from Weller Lane to the Highway 237 off-ramp, and was awarded to JJR Construction, Inc. on March 20, 2007. Staff recommends that the Agency grant an initial acceptance and authorize the reduction of the contractor's faithful performance bond to 10% of the contract amount or \$314,574.06 by adopting the proposed resolution in the agenda packet.

**Fiscal Impact:** The project has been successfully completed on time and within budget, and a budget savings of \$120,000 has been achieved.

**Recommendation:** Adopt Redevelopment Agency resolution granting initial acceptance of the North Main Streetscape Project No. 8165, subject to the one year warranty period and reduction of the faithful performance bond to \$314,574.06.

- \*RA7. Award Construction Contract to Joseph J. Albanese, Inc. and Authorize the Agency Executive Director to Execute Amendment No. 2 to the Agreement with Brian Kangas Foulk Engineers for Midtown North Main Street Streetscape Improvement Project, Phase 2, Projects No. 8165 and No. 8153, Federal Aid Project No. RPSTPLE 5314 (004) (Staff Contact: Steve Erickson, 586-3414)**

**Background:** On May 6, 2008, the City Council approved the project plans and specifications and authorized the advertisement for construction bid proposals. The project provides for a new pedestrian friendly streetscape along North Main Street from the Highway 237 off-ramp South to Carlo Street to support the new library and other Midtown development improvements. The work includes new pavement, sidewalks, median, street furniture, traffic signals, and landscape improvements. The project will also provide a pavement seal and pavement striping to Weller Lane and cul-de-sac improvements to Winsor Avenue at the new parking garage. A new waterline along Carlo Street from Old Calaveras to North Main Street to improve flow and water quality will also be provided. The waterline work included in the project will be funded from the North Main Street Utilities Project, Project No. 8153, which is estimated to cost \$290,000. The Engineer's Estimate for all work is approximately \$2,600,000.

The project was advertised and sealed bid proposals were opened on July 15, 2008. Five bid proposals were received ranging from \$2,154,840 to \$3,077,000. The lowest responsible bidder is Joseph J. Albanese, Inc.

On April 5, 2005, the City Council awarded a consultant contact with Brian Kangas Foulk (BKF) Engineers for the design of the North Main Street Streetscape Improvements. On April 12, 2007, City Council approved Agreement Amendment No.1 with BKF to provide construction services for the first phase of this project.

Staff recommends approval of Amendment No. 2 to the Agreement with BKF Engineers to provide construction services for this second project phase. Construction services will include surveying services, responding to contractor questions and submittals, and creating record drawings upon project completion. Staff negotiated a scope and fee for these services, and Amendment No. 2 is recommended for these additional services. The cost for these services is estimated not to exceed \$50,000 and is considered reasonable for the work involved.

**Fiscal Impact:** Sufficient funds are available in the project budgets to award this project.

**Recommendations:**

1. Award Construction Contract to Joseph J. Albanese Inc. in the amount of \$2,154,840 for the Midtown North Main Street Streetscape Improvement Project, Phase 2, Project No. 8165. Project No. 8165 will fund \$1,864,840 of the project and CIP No. 8153, North Main Street Utility Improvements, will fund the remaining \$290,000.
2. Authorize the Agency Executive Director to execute Amendment No. 2 to the Agreement with Brian Kangas Foulk Engineers in the amount of \$50,000 for Project No. 8165, subject to approval as to form by the Agency Counsel.

- \* **RA8. Authorize Staff to Proceed with Bidder Pre-qualification Package and Adopt a Resolution Approving the Final Initial Study/Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program for the Milpitas Senior Center, Project No. 8176 (Staff Contact: Greg Armendariz, 586-3317)**

**Background:** At the May 6, 2008 City Council meeting, the Agency/Council received a staff report and approved the design development phase for the new Senior Center and authorized staff to proceed with the Construction Document phase of the project.

Since May, staff worked closely with Noll & Tam Project Architects on the design and construction details of the interior and exterior of the new facility. In addition, staff prepared a bidder pre-qualification package for the Project. The pre-qualification package allows interested bidders to preview the project plans and specifications prior to the project bid schedule for fall 2008. Interested bidders will then submit their qualifications to the City for review and approval. Only bidders who have been approved through the pre-qualification process will be authorized to submit bids for the project.

In compliance with the California Environmental Quality Act (CEQA) and CEQA Guidelines, as amended January 1, 2008, an Initial Study/Mitigated Negative Declaration (IS/MND) and Mitigation Monitoring and Reporting Program (MMRP) have been prepared for this project. The Draft IS/MND was circulated for public review between May 1, 2008 and June 6, 2008. No comments were received on the document. Therefore, a Final IS/MND and MMRP were prepared.

**Fiscal Impact:** None

**Recommendations:**

1. Authorize staff to issue a bidder pre-qualification package for the Senior Center Project.
2. Adopt a Resolution Approving the Final Initial Study/Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program for the Senior Center, Project No. 8176.

- \***RA9. Authorize the Agency Executive Director to Execute Amendment No. 1 to the Agreement with Critical Solutions Inc. for Pre-construction Design Review Services for Senior Center Project No. 8176 (Staff Contact: Steve Erickson, 586-3414)**

**Background:** On March 7, 2006, the City Council awarded a consultant contract to Critical Solutions Inc. to provide construction management and technical support services for the new Milpitas Public Library, Midtown East Parking Garage, and related N. Main Street Development projects. These services are provided on a time and materials basis and the total fee is not to exceed \$2,200,000. The parking garage was successfully completed in September 2007, Phase I of the North Main Streetscape project was completed in July, and the new Library project is nearing completion and is on time and on budget.

The Senior Center Remodeling Project No. 8176 recently completed the 60% construction drawing phase, and it is anticipated the project will be advertised for bids by late fall 2008. Staff recommends amending the contract with Critical Solutions Inc. (CSI) to provide technical support in the review of the Contractor Pre-qualification documents, and the 90% design plans and specifications for constructability and to identify errors, omissions, and conflicts which have the potential to become costly change orders during construction. Staff negotiated a scope and fee for these services not to exceed \$45,000, which is considered reasonable.

**Fiscal Impact:** None. There are sufficient funds in the project budget for this expense.

**Recommendation:** Authorize the Agency Executive Director to execute Amendment No. 1 to the Agreement with Critical Solutions Inc. for Pre-construction Design Review Services for an amount not to exceed \$45,000, subject to approval as to form by the Agency Counsel.

**\*RA10. Authorize the City Engineer to Execute a Contract Change Order for the Singley Area Street Rehabilitation, Phase V, Project No. 8193 (Staff Contact: Jeff Leung, 586-3326)**

**Background:** The City Council awarded this construction contract to Granite Construction Company on June 17, 2008. The project provides roadway drainage improvements to minimize water ponding in the area, and asphalt overlay for the following streets to improve the pavement condition.

1. Hamilton Avenue from Merz Court to Enriquez Court
2. Hamilton Avenue from Tramway Drive to Escuela Parkway
3. Tramway Drive from Milpitas Boulevard to Donahe Drive
4. Tramway Drive from Escuela Parkway to Wyoma Place
5. Chad Drive from Singley Drive to Aaron Park Drive
6. Whittier Street

Construction has started and the anticipated completion date is early November. Additional unforeseen work was identified and also recommended is revision to the plans and specifications to minimize the driveway impact to the residents. The scope of the proposed additional work includes the following:

1. Pavement overlay at Tramway Drive from Donahe Drive to Escuela Parkway.
2. Pavement overlay at Singley Drive from Tramway Drive to 409 Singley Drive (at the bend of Singley Drive past Chad Drive).
3. Concrete flat work in the areas of the original and new contract limit areas.
4. Subdrain work in the areas of items of the original and new contract limit areas.

Staff is currently negotiating the proposed revisions and costs with the contractor. Staff expects that most of the additional work will be performed at the contract bid unit prices and the additional cost will not exceed \$90,000.

**Fiscal Impact:** None. Funds are available in the project budget.

**Recommendation:** Authorize the City Engineer to execute a contract change order with Granite Construction for the Singley Area Street Rehabilitation, Phase V, Project No. 8193 in the amount not to exceed \$90,000.

**\*RA11. Approve and Authorize Agency Executive Director to Execute Agreement with Landtech Consultants, for Bay Area Rapid Transit Extension, Project No. 8164 (Staff Contact: Greg Armendariz, 586-3317)**

**Background:** The coordination and planning of the BART Extension project is included in the approved Capital Improvement Program. The work involves coordination and engineering analysis of utilities, rights-of-way, and other BART design impacts on the City's infrastructure. Specialized bridge structural engineering services are required for review of Abel Street bridge seismic retrofit improvements designed by Valley Transportation Authority and needed for the advance freight track relocation and Berryessa Creek realignment for the future BART project. This advance work is planned for spring 2009 construction. Through the City's consultant selection process, Landtech Consultants was selected to provide the structural review services. Staff negotiated a scope and fee for these services, not to exceed \$18,000, which is considered reasonable.

**Fiscal Impact:** There are sufficient funds in the project budget for these consultant services.

**Recommendation:** Approve and authorize the Agency Executive Director to execute an agreement with Landtech Consultants, in the amount of \$18,000, subject to approval as to form by the City Attorney.

**\*RA12. Approve Budget Appropriation and Award Construction Contract to Balch Petroleum Builders and Contractors, Inc. for the Corporation Yard Canopy, Project No. 8183 (Staff Contact: Jeff Leung, 586-3326)**

**Background:** At its June 17, 2008 meeting, the City Council approved the project plans and specifications and authorized the advertisement for construction bids for the Corporation Yard canopy project. The project provides for installation of a metal canopy to cover the vehicle fueling station, chemical fill area, and vehicle wash area at the Public Works Corporation Yard. In addition, improvements will be made to the fueling station to comply with the enhanced vapor recovery (EVR) requirement and a security system for the fuel operation. The project was advertised and sealed bid proposals were opened on July 16, 2008. Two bid proposals were received for \$440,000 and \$703,454. The engineer's estimate is \$385,000 and the lowest responsible bidder is Balch Petroleum Builders and Contractors, Inc with a bid of \$440,000. The bid is approximately 14% over the engineer's estimate; the higher construction costs are attributed to the recent increase in fuel costs.

Due to the specialized work of gas station canopy, security system and fuel system work (EVR) and heavy workload of these specialized contractors, as well as the April 2009 deadline for EVR compliance in California, staff does not anticipate any cost decrease opportunity from re-advertising. Staff recommends proceeding with the work and awarding it to Balch Petroleum Builders and Contractors, Inc.

**Fiscal Impact:** Appropriately \$80,000 from Redevelopment Agency funds are needed for completion of the project, to include costs for contingency, administration, and inspection.

**Recommendations:**

1. Approve a Budget Appropriation in the amount of \$80,000.
2. Award Construction Contract to Balch Petroleum Builders and Contractors, Inc, for the Corporation Yard Canopy, Project No. 8183, in the amount of \$440,000.

**\*RA13. Receive City of Milpitas Investment Portfolio Status Report for the Quarter Ended June 30, 2008 (Staff Contact: Emma Karlen, 586-3145)**

**Background:** In compliance with the State of California Government Code and the City's Investment policy, the City of Milpitas Investment Report for the quarter ended June 30, 2008 is submitted for the Council/Agency's review and acceptance.

The Portfolio Summary Report included in the Council's packet provides a summary of the City's investments by type. It lists the par value, market value, book value, percentage of portfolio, term, days to maturity and the equivalent yields for each type of investment. The Portfolio Details Report provides the same information for each individual investment in the City's portfolio as of June 30, 2008.

As of June 30, 2008, the principal cost and market value of the City's investment portfolio was \$219,271,365 and \$220,816,032 respectively. When market interest rates increase after an investment is purchased, the market value of that investment decreases. Conversely, when market interest rates decline after an investment is purchased, the market value of that investment increases. If the investments are not sold prior to the maturity date, there is no market risk. Therefore, in accordance with the City's investment policy, all investments are held until maturity to ensure the return of all invested principal.

The City's effective rate of return for the period ended June 30, 2008 was 3.83%. The comparative benchmarks for the same period were 2.64% for LAIF (Local Agency Investment Fund) and 2.96% for the 12-month average yield of the 2 year Treasury Note. Excluding the long-term GNMA securities and investment of the bond proceeds, the weighted average maturity of the portfolio was 436 days.

The investment portfolio is in compliance with the City's investment policy. A combination of securities maturing, new revenues, and tax receipts will adequately cover the anticipated cash flow needs for the next six months. Cash flow requirements are continually monitored and are considered paramount in the selection of maturity dates of securities.

Graphs (included with the agenda packet) show investment by maturity levels, comparison of the City's portfolio yields to other benchmark yields for the last 12 quarters as well as a trend of the type of securities in the City's portfolio, weighed average maturity and average yield.

As noted in the City Manager's Weekly Issues Update, two government-sponsored institutions Federal National Mortgage Association (Fannie Mae) and Federal Home Loan Mortgage Corp (Freddie Mac) received negative publicity in recent weeks due to their large holdings of mortgage loans and potential additional capital required to absorb the losses from the loan foreclosures. The City holds \$14 million of debt securities issued by these two institutions which is about 6.4% of the investment portfolio. The City does not recommend liquidating these securities as staff firmly believes that the federal government will not allow these two institutions to fail, as evidenced by the plan of the Federal Reserve Chairman to increase the lines of credit available to them and potential equity investment by the government to reassure the markets. However, the City is going to minimize its holdings through attrition. When the securities issued by Fannie Mae and Freddie Mac mature, staff will not reinvest in similar securities issued by them but will re-evaluate in the future.

**Fiscal Impact:** Not Applicable

**Recommendation:** Receive the investment report for the quarter ended June 30, 2008.

#### **RA14. Agency Adjournment**

### **XVII. REPORT OF OFFICERS**

#### **City Council**

##### **6. Consideration of Petition from Milpitas Residents Regarding Milpitas Tidal Waves Swim Program Staffing (Contact: Mayor Esteves, 586-3029)**

**Background:** Mayor Esteves requested this topic be brought to the City Council. Residents and some parents of students in the Milpitas Tidal Waves swim team program delivered a petition to the Mayor regarding staffing of the coach position on that team.

**Recommendation:** Direct staff to continue meeting with the parents (of Tidal Waves team members) group, study the issue of the swim coach position in the Recreation department, and to return with a recommendation on long-term staffing.

##### **\* 7. Consider Mayor's Recommendations for Appointments/Re-appointments to Milpitas Commissions (Contact: Mayor Esteves, 586-3029)**

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

**Arts Commission:** Newly appoint Mr. Sobhan Dutta as Alternate No. 2 to a term that expires in October 2009.

**Economic Development Commission:** Newly appoint Robyn Cornell to the hotel representative position, to a term that expires in April 2009.

**Library Advisory Commission:** Re-appoint Margie Stephens to a term that expires in June 2010.

**Parks, Recreation and Cultural Resources Commission:** Re-appoint Naomi Matau to a term that expires in June 2011.

Sister Cities Commission:

Appoint Nolan Chen (Alternate No. 1) as a regular member to a term that expires in September 2010.

Appoint Dana Arbaugh (Alternate No. 2) as Alternate No. 1 to a term that expires in September 2008.

Newly appoint Marsha Binh Tran (currently serving on RSRAC) as Alternate No. 2 to a term that expires in September 2009.

Telecommunications Commission:

Appoint Hai Tran (current Alternate No. 1) as a regular member to a term that expires in January 2010.

Appoint Sumeet Ahuja (current Alternate No. 2) as Alternate No. 1 to a term that expires in January 2009.

Newly appoint Kurt Bohan as Alternate No. 2 to a term that expires in January 2010.

**Recommendation:** Consider Mayor's recommendations for appointments and re-appointments to Commissions and vote on appointments.

**8. Consider the Initiation of a Residential Front Yard Beautification Program (Contact: Councilmember Giordano, 586-3032)**

**Background:** Councilmember Giordano requested this item be placed on the agenda to discuss initiating a study of landscape and maintenance standards for residential front yards in Milpitas.

**Fiscal Impact:** None

**Recommendation:** Provide direction to staff.

**XVIII. NEW BUSINESS**

**9. Receive Report on Public Art Program Evaluation (Staff Contact: Diana Whitecar, 586-3059)**

**Background:** At the City Council's Budget Hearing on May 13, Councilmember Gomez requested information, with City Council concurrence, on the two arts groups and recommendations for combining them. Staff reviewed the following recommendations with the Public Art Committee and included in the agenda packet of June 23 are the minutes of the meeting.

The 11-member Public Art Committee (PAC) consists of the 7 member Arts Commission, three representatives of the Milpitas Alliance for the Arts (MAFTA) and a local artist at-large member. The PAC was established in August 2005 along with the adoption of the Public Art Ordinance. Included in the Ordinance was a three-year review of the funding levels for public art. Three years has passed since the approval of the ordinance.

The intent of the Public Art Program was to involve the community in the selection of public art and to increase its presence in Milpitas. An unintended consequence is the increase in workload for Arts Commissioners as the Public Art program is a full work program in its own right. Implementation has been a challenge for all involved, as priority commitments of both a Public Art and Arts Commission conflicted consistently.

Milpitas Alliance for the Arts (MAFTA) representatives also participate on the Public Art Commission and have been very active in most of the community outreach for the public arts projects. MAFTA has been successful in managing the public outreach process in all the "Art in Your Park" projects throughout the City.

The Public Art reorganization recommendations are intended to capture the strength of both entities (Arts Commission and MAFTA) and continue the Milpitas Public Art program as envisioned with the adoption of the Public Art Ordinance. Specific reorganization recommendations include:

1. Continue the Arts Commission and its current annual work program that manages the MACG grants, the Phantom Gallery (and potentially other gallery opportunities in new public buildings) and Arts Day.
2. Disband the Public Art Committee.
3. Approve changes in the Public Art policies, adopting ordinances and Public Art Manual to reflect these changes.
4. Refocus the Public Art Program to give art back to the community by strengthening the community involvement in the public art process by working with the Milpitas Alliance for the Arts to facilitate community outreach and involvement.

When this proposal was discussed with the Public Art Committee at its June meeting, one of the most prominent concerns was that Public Art implementation would be staff driven. By utilizing MAFTA, local artists are in the lead and supported by a Senior Management project team. This team would vary somewhat, but generally consist of the City Engineer, Department Head for the project and representatives of Fire, Police, Planning, Finance and the City Attorney's office to assist in design review and contract negotiations. This process was envisioned in the adopting policies, but lost in current implementation. For example, selection of public art for the new Senior Center would be administered by the Parks and Recreation Director and City Engineer in conjunction with the Senior Advisory Commission. Artist selection would continue to be vetted in public, with the Senior Advisory Commissioners, MAFTA or staff presenting the art proposals to each City Commission and the general public as envisioned in the Public Arts Master Plan.

#### **Public Art Funding Three Year Review**

The Public Art Program ordinance specifically notes that "Three years from the effective date of this ordinance, the City Council shall review a minimum eligibility threshold of \$1 million per CIP project for the funding of public artwork for the application of the 1.5% formula." Since inception of the public art program, \$788,838 has been accrued to the Public Art fund. To date, \$203,000 has been encumbered or expended as outlined in the staff memo. An estimated \$350,000 of new funds will be generated through the proposed FY 2008-09 Capital Improvement Program (CIP). Combined with the existing unencumbered public art funds, there will be nearly \$550,000 for additional public art projects. Staff recommends retaining the \$1 million CIP eligibility threshold, so as to not impact smaller capital improvement projects. This would allow for a continuation of the public art installations without burdening project budgets significantly.

As also noted in the staff memo (included in the agenda packet), estimated budgets for the public art projects were intended to be part of the Public Art Master Plan. If the Council accepts the reorganization recommendations, staff will return with specific budget proposals and projects as previously recommended by the Public Art Committee. The project list would include adding relocation of the Cartwheel Kids and the new Senior Center to the list of public art projects.

The City Council will remain the final approval body of all public art projects and budgets.

**Fiscal Impact:** There is no fiscal impact created by these recommendations.

**Recommendation:** Approve the recommendations to reorganize the Public Art Program, to continue the Arts Commission and its annual work program, to disband the Public Art Committee and to direct staff to implement recommendations to amend the Public Art Program and Policy ordinances and Public Art Manual.

- \* 10. **Direct Staff to Study the Feasibility of Providing a City Match for the Santa Clara Valley Water District Landscaping Rebate (Staff Contact: Kathleen Phalen, 586-3345)**

**Background:** As part of its water conservation program, the Santa Clara Valley Water District offers Santa Clara County businesses and residents a rebate to remove landscaping lawns of turf grass and replace with drought tolerant plants or permeable hardscaping such as gravel. The rebate amount is \$75 per 100 square feet of replaced lawn up to \$1,000 for residents and up to \$10,000 for businesses. There is no direct cost to the City for this program. Interested applicants are encouraged to contact the District's agent at 866-685-2322 to initiate the application and determine eligibility. There are a number of conditions for eligibility including no net increase in irrigation area, use of drip or similar irrigation, and a commitment to retain the drought-tolerant landscaping for at least five years.

The City of Milpitas has not had extensive participation in this program. Information about the rebate has been included in the last two annual Consumer Confidence Reports mailed out to all Milpitas customers each June. This year, eight residents asked for further information to be mailed to them. To date, the District says that four Milpitas residents have completed pre-inspections, but none have completed projects yet. It may be possible to increase participation by increasing the amount of the rebate. The Cities of Morgan Hill and Palo Alto have entered into cost sharing agreements with the District to match its rebate, thereby doubling the incentive. In the case of Palo Alto, this does appear to have increased participation.

If the Council desires, staff can further study this rebate program to evaluate the potential costs and benefits to the City of offering matching funds to increase the rebate for turf grass replacement, as is done by Morgan Hill and Palo Alto.

**Fiscal Impact:** None.

**Recommendation:** Direct staff to study the feasibility of providing a City match for the Santa Clara Valley Water District landscaping rebate and report back to Council with a recommendation.

\* 11. **Authorize the Purchasing Agent to Dispose of Four Surplus Ford Sedan Vehicles at Auction (Staff Contact: Chris Schroeder, 586-3161)**

**Background:** The City owns the following four surplus vehicles:

1. 1991 Ford Taurus; 239C - VIN 1FACP50U5MA158980 - License# 344254
2. 1997 Ford Crown Vic; 488Z - VIN 2FALP71W7VX185523 - License# 051404
3. 1995 Ford Crown Vic; D6 - VIN 2FALP71W9SX152812 - License# 3KSJ893
4. 1996 Ford Crown Vic; 465F - VIN 2FALP71W1TX168567 - License# 035096

All have reached the end of their useful lives. The cost to maintain the vehicles exceeds their value and they have been removed from service. The value of the vehicles at auction is estimated to range from \$1,000 to \$2,000 each. Staff requests authorization to dispose of the vehicles at auction pursuant to section I-2-8.03 of the Municipal Code "Disposal of more than \$1,000."

**Fiscal Impact:** Funds generated from the sale of these vehicles will be returned to the Equipment Replacement fund.

**Recommendation:** Approve the request to auction four City-owned Ford sedan vehicles.

**XIX. BIDS AND CONTRACTS**

\* 12. **Award the Bid and Authorize the City Manager to Execute a Contract for Publishing the Recreation Services Activity Guide with Fricke-Parks Press, Inc. (Staff Contact: Chris Schroeder, 586-3161)**

**Background:** Purchasing and Recreation Services staff developed the specification for the annual Recreation Services Activity Guide and went out to bid on April 7, 2008. The bid was awarded to Citation Press, however, that company defaulted upon receipt of the purchase order. Staff reworked the specification and sent out the bid again on July 3, 2008 to ten (10) printing

vendors on Purchasing's bidders list. The scope of work consists of setup, printing and preparation for residential mail delivery of 73,000 copies of the Milpitas Activity Guide. The bid is for a one year term with two additional one year options based on prior performance and incremental pricing at the City's discretion. The bid was advertised in the local newspaper, on the City website, and the Blue Book. Eight bids were received and are summarized below.

<u>Bidder</u>	<u>Total Bid</u>
American Lithographers	\$54,711.48
Fong & Fong Printers	\$66,335.00
Vision Press	\$47,367.29
Fricke-Parks Press, Inc.	<u>\$22,151.00</u>
Citation Press	\$60,666.00
Consolidated Printers, Inc.	\$43,160.00
Minuteman Press	\$31,427.84
Folger Graphics	\$28,204.00

**Fiscal Impact:** \$ 22,151.00. Funds are available for this purchase from the Recreation Services Operating budget.

**Recommendation:** Award the bid and authorize the City Manager to execute a contract for publishing the Recreation Services Annual Activity Guide to Fricke-Parks Press, Inc. for the annual amount of \$22,150.00, subject to approval as to form by the City Attorney.

**\* 13. Award Construction Contract to Anderson Pacific Engineering Construction, Inc. for the Venus Pump Station Rehabilitation, Project No. 6101 (Staff Contact: Jeff Leung, 586-3326)**

**Background:** At its June 17, 2008 meeting, City Council approved the project plans and specifications and authorized the advertisement for construction bids for the Venus Pump Station project. The project provides for the rehabilitation of the pump station including the sealing of the wet well and removing and replacing the pumps, hatches, valves and related electrical controls. The project was advertised and sealed bid proposals were opened on July 23, 2008. Two bid proposals were received for \$325,500 and \$585,750. The engineer's estimate is \$285,000 and the lowest responsible bidder is Anderson Pacific Engineering Construction, Inc. with a base bid of \$325,500. The bid is approximately 14% over the engineer's estimate. Due to the specialized work of pump stations, staff does not find an opportunity to achieve cost decreases by rebidding the project. The add alternate cost for gate valves and a flap gate work is also reasonable. Staff recommends awarding the project to Anderson Pacific Engineering Construction, Inc. in the amount of \$332,800, including the add-alternate work.

**Fiscal Impact:** None. Sufficient funds are available in the project budget to award this project.

**Recommendation:** Award a Construction Contract to Anderson Pacific Engineering Construction, Inc., for the Venus Pump Station Rehabilitation, Project No. 6101, in the amount of \$332,800.

**\* 14. Approve Contract for Personnel Services with ADHR Consulting (Staff Contact: Carmen Valdez, 586-3086)**

**Background:** Under direction of the City Council, City staff is researching and analyzing the feasibility of Total Compensation for the City of Milpitas employees. The consulting firm ADHR is expert in the field of Human Resources and widely utilized among Bay Area agencies. ADHR will provide professional services to the development of a Total Compensation methodology to be used at the discretion and implementation of the City for determining employee compensation. Included in the agenda packet for Council review is the Scope of Services. The cost of the project will not exceed \$20,000.

**Fiscal Impact:** There are sufficient funds allocated in the Human Resources departmental FY 2008-09 budget.

**Recommendation:** Authorize the City Manager to execute a contract with ADHR Consulting, subject to approval as to form by the City Attorney, in an amount not to exceed \$20,000 for personnel services.

- \* 15. **Approve the Transition of Voice and Data Telecommunications Services from the State of California Calnet I Contract to the New Calnet II Contract (Staff Contact: Chris Schroeder, 586-3161)**

**Background:** Calnet II is an umbrella agreement between the winning bidder(s) of a telecom service provider competition and the State of California for various voice and data telecommunication services. Under the rules of this agreement, local governments may choose to have (traditionally mostly do) these same preferential conditions applied to their own contracted services with the same service provider(s). In order to do so, a local government agency must also formally join the Calnet II service contract.

The City has been receiving many services from Pac Bell, AT&T and others for many years under the Calnet I agreement. As the original agreements expired, a new competition was held last year and a newer, even more preferential (less expensive) Calnet II agreement was enacted.

In order for Milpitas to benefit from these newer, lower rates and better conditions, the City must formally agree to adopt Calnet II as its business contract for covered services with the rent local service provider, AT&T, as soon as possible. All existing covered services, which include hundreds of phone lines and many public safety communications circuits totaling thousands of dollars per month, will automatically transfer to the new contract lower rates, if adopted.

This type of group or multi-agency purchase is authorized under Municipal Code section I-2-3.08 "Cooperative Procurement." Therefore, no stand-alone solicitation by the City is required.

**Fiscal Impact:** There are ten major types of telecommunications services represented by the Calnet II contract. Each has multiple monthly bills that vary according to amount of use, so it is difficult to calculate an exact dollar savings. Generally the new Calnet II contract represents a savings of 5% to 20% depending on the individual service type.

**Recommendation:** Adopt Calnet II and authorize the City Manager to sign the contract, subject to approval by the City Attorney.

- \* 16. **Approve Amendment No. 2 to the Contract with Empire Maintenance Services for Janitorial Services (Staff Contact: Chris Schroeder, 586-3161)**

**Background:** This is the third year of a five-year contract entered into on July 5, 2005. This amendment is to add additional scope of work which costs \$22,854.00. This increases the total annual compensation from \$178,707.60 to \$201,561.60.

**Fiscal Impact:** Funds for this additional work are available from the Public Works operational budget for 2008.

**Recommendation:** Approve the amendment to the agreement with Empire Maintenance Services for Janitorial Services for the not-to-exceed amount of \$22,854.00, subject to approval as to form by the City Attorney.

## XX. CLAIMS AND DEMANDS

- \* 17. **Receive Report on Emergency Tree Trimming Service (Staff Contact: Chris Schroeder, 586-3161)**

**Background:** In accordance with the Municipal Code, Section I-2-3.10, the Purchasing Agent must submit a report to the City Council describing the circumstances of the emergency purchase and the price of the purchase. Accordingly, Purchasing has prepared the following report.

**Payment of \$9,856.00 to Anderson's Tree Care**

Due to above normal temperatures and high winds, a lot of the tree branches on the sycamore trees have been breaking off on McCarthy Blvd. from South Ranch Drive to Dixon Landing Road. To prevent dangerous conditions to motorists and pedestrians, the trees had to be trimmed quickly. Bids were solicited from four separate vendors: Valley Crest Tree Care, Anderson's Tree Care, Arbortek Tree Service, and Bartlett Tree Service. Anderson's was the only one to respond and had a crew immediately available. The work was completed on July 18, 2008.

**Total Fiscal Impact:** \$9,856.00. Funds are available from the Public Works Operating Budget for this service.

**Recommendation:** Receive report on emergency tree trimming service by Anderson's.

\* **18. Approve Purchase of Additional Police Mobile Computer Hardware and Software from Data 911 Systems (Staff Contact: Chris Schroeder, 586-3161)**

**Background:** On March 18, 2008, the City Council approved a mid-year budget appropriation for procurement of new mobile computer equipment for public safety vehicles. Council has already granted a "Sole Source Procurement" pursuant to Municipal Code Section I-2-3.09 for Data 911 Systems. Staff now requests the additional purchase of fourteen (14) systems at a total cost of \$43,624. Procuring the additional hardware and software will complete the migration of all City of Milpitas police cars to the same hardware and software system.

**Fiscal Impact:** A budget appropriation of \$21,812 is requested for the Technology Equipment Fund. The balance of the purchase is available from the State Asset Seizure Fund. A matching grant is available from the Association of Bay Area Governments.

**Recommendation:** Approve budget appropriation for \$21,812 for the Technology Equipment Fund and authorize the purchase of fourteen (14) additional Police mobile computers and software from Data 911.

**XXI. ADJOURNMENT**

**NEXT REGULAR MEETING  
TUESDAY, AUGUST 19, 2008**