



**MILPITAS CITY COUNCIL MEETING AGENDA
MILPITAS REDEVELOPMENT AGENCY MEETING AGENDA**

TUESDAY, JUNE 1, 2010

6:30 P.M. (CLOSED SESSION) • 7:00 P.M. (PUBLIC BUSINESS)

SUMMARY OF CONTENTS

- I. CALL TO ORDER by the Mayor**
- II. ROLL CALL by the City Clerk (6:30 p.m.)**
- III. ADJOURN TO CLOSED SESSION OF CITY COUNCIL**

CONFERENCE WITH REAL PROPERTY NEGOTIATOR
(Pursuant to CA Government Code § 54956.8)
Property: Real Property located at 230 North Main Street, Milpitas, CA
City Negotiator: Executive Director Tom Williams. Negotiating Party: Apton Properties, LLC
Under Negotiation: Purchase of interest in real property
- IV. 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
- V. PLEDGE OF ALLEGIANCE**
- VI. INVOCATION** (Vice Mayor McHugh)
- VII. APPROVAL OF COUNCIL MEETING MINUTES** – May 11 and May 18, 2010
- VIII. SCHEDULE OF MEETINGS** – Council Calendar for June 2010
- IX. PRESENTATION** – Recognition of Volunteer Income Tax Assistance Volunteers
- X. 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.

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

Consent calendar items are considered to be routine and will be considered for adoption by one motion. There will be no separate discussion of these items unless a member of the City Council, member of the audience, or staff requests the Council to remove an item from or be added to the consent calendar. Any person desiring to speak on any item on the consent calendar should ask to have that item removed from the consent calendar. If removed, this item will be discussed in the order in which it appears on the agenda.

XV. PUBLIC HEARING

1. **Hold a Public Hearing and Consider Adoption of the Resolutions Upholding the Planning Commission's Actions on the Walmart Expansion Project (Staff Contact: James Lindsay, 586-3273)**

XVI. JOINT REDEVELOPMENT AGENCY AND CITY COUNCIL MEETING

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

RA2. Approval of Minutes – May 18, 2010

RA3. Approval of Agenda and Consent Calendar (Items with asterisk*)

***RA4. Adopt the Final Budget, Financial Plan and Side Letter Agreements of the City of Milpitas and the Milpitas Redevelopment Agency for the Fiscal Year 2010-2011 (Staff Contact: Emma Karlen, 586-3145)**

***RA5. Approve the New Senior Center Grand Opening Ceremony Program and Budget, Project No. 8176 (Staff Contact: Steve Erickson, 586-3301)**

***RA6. Authorize the Agency Director to Execute a Contract Change Order with Swenson & Associates for Improvement to the Veterans Memorial, Project No. 8197 (Staff Contact: Steve Erickson, 586-3301)**

RA7. Agency Adjournment

XVII. REPORTS OF MAYOR, COUNCIL AND COMMISSION

*** 2. Consider Mayor's Recommendations for Re-appointments to Two Milpitas Commissions (Contact: Mayor Livengood, 586-3051)**

3. Consider Mayor's Recommended Appointments to the New Citizens Budget Task Force (Contact: Mayor Livengood, 586-3051)

*** 4. Adopt a Resolution Requesting the Santa Clara County Board of Supervisors Place a Plaque or Other Commemorative at the New Valley Health Center in Milpitas Recognizing Dr. Albert Currin (Contact: Vice Mayor McHugh, 586-3023)**

*** 5. Accept the Terrace Gardens, Inc. Annual Financial Report for 2008 and 2009 (Contact: Councilmember Giordano, 586-3032)**

Veterans Commission

*** 6. Approve the Veterans Commission Bylaws (Staff Contact: Carmen Valdez, 586-3086)**

XVIII. NEW BUSINESS

*** 7. Approve the Special Events Calendar 2010-2011 (Staff Contact: Dale Flunoy, 586-3228)**

XIX. ORDINANCE

8. **Waive the First Reading and Introduce Ordinance No. 66.3 in order to Adopt the "City of Milpitas Standard Drawings, Specifications and Engineering Guidelines" for City Public Works (Staff Contact: Fernando Bravo, 586-3328)**

XX. RESOLUTION

- * 9. **Adopt a Resolution Calling for the General Municipal Election on November 2, 2010 (Staff Contact: Mary Lavelle, 586-3001)**

XXI. BIDS AND CONTRACTS

- * 10. **Authorize the City Manager to Execute a Contract Extension with Empire Maintenance Services for Two Months for the Not-To-Exceed Amount of \$21,000 (Staff Contact: Chris Schroeder, 586-3161)**
- * 11. **Authorize the City Manager to Execute a Contract Extension with Valley Oil for One Additional Year for the Not-to-Exceed Amount of \$756,677 (Staff Contact: Chris Schroeder, 586-3161)**
- * 12. **Authorize the City Manager to Execute Amendment No. 3 to the Contract with Cal-West Lighting & Signal Maintenance for Streetlight Improvement Services for the Not-to-Exceed Amount of \$100,000 (Staff Contact: Chris Schroeder, 586-3161)**
- * 13. **Authorize the City Manager to Execute a Contract Change Order with JJR Construction for On-Call Sidewalk, Curb and Gutter Repairs to Extend the Contract for One Additional Year (Staff Contact: Chris Schroeder, 586-3161)**
- * 14. **Authorize the City Manager to Amend the Master Services Agreement with York Insurance Group, Inc. Through June 30, 2011 (Staff Contact: Carmen Valdez, 586-3086)**
- * 15. **Authorize the City Manager to Execute a Master Agreement with Santa Clara Valley Transportation Authority Relating to the Silicon Valley Rapid Transit Program Extension Project (Staff Contact: Greg Armendariz, 586-3317)**

XXII. ADJOURNMENT

**NEXT REGULAR MEETING:
TUESDAY, JUNE 15, 2010**

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 City Attorney's office at Milpitas City Hall, 455 E. Calaveras Blvd., Milpitas, CA 95035
e-mail: mogaz@ci.milpitas.ca.gov / Fax: 408-586-3056 / Phone: 408-586-3040

The Open Government Ordinance is codified in the Milpitas Municipal Code as Title I Chapter 310 and is available online at the City's website www.ci.milpitas.ca.gov by selecting the Milpitas Municipal Code link.

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.

APPLY TO BECOME A CITY COMMISSIONER!

Current vacancies exist for the:

Bicycle Pedestrian Advisory Commission (alternate)

Mobile Home Park Rental Review Board

Parks, Recreation & Cultural Resources Commission (alternate)

Recycling & Source Reduction Advisory Commission (alternate)

Senior Advisory Commission (alternate)

Youth Advisory Commission

Applications are available online at 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 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

XV. PUBLIC HEARING

1. **Hold a Public Hearing and Consider Adoption of the Resolutions Upholding the Planning Commission's Actions on the Walmart Expansion Project (Staff Contact: James Lindsay, 586-3273)**

Background: This item was continued from the City Council meeting of May 18. In 1993, Walmart received approval for the development of a 131,725 square foot store including automotive service and repairs, a garden center, and a fast food service area. Walmart was later granted a Conditional Use Permit Amendment for the sale of refrigerated and frozen convenience food items in 2005. On March 24, 2010, the Planning Commission approved an 18,457 square foot building expansion (Site Development Permit Amendment SA09-0003), the sale of fresh grocery items, and a full range of alcoholic beverages (Conditional Use Permit Amendment UA09-0002). Prior to approving the project, the Commission certified the environmental impact report (EIR EA09-0006) prepared for the project and adopted a statement of overriding considerations. A more detailed project description is contained within the Planning Commission staff report provided in the Council's agenda packet.

On April 1, 2010, the Milpitas Coalition for a Better Community filed an appeal of the Planning Commission's actions. The specific relief the appellant is seeking is to not certify the Environmental Impact Report (EIR) as they claim it does not meet the requirements of the California Environmental Quality Act (CEQA), and that the Site Development and Conditional Use Permit amendments be denied as they claim the project is inconsistent with state and local planning and zoning laws including the Milpitas General Plan.

The EIR followed all the requirements of CEQA as documented in the record and in Planning Commission Resolution No. 10-016. The Commission also found that the project was consistent with the Milpitas Zoning Ordinance and General Plan as documented in the record and in Resolution No. 10-017.

Fiscal Impact: None.

Attachments: see separate binder with list of materials

Recommendations:

1. Open the public hearing for comments, and move to close the hearing.
2. Adopt a resolution certifying the Environmental Impact Report.
3. Adopt a resolution approving the Walmart Expansion Project.

XVI. JOINT REDEVELOPMENT AGENCY AND CITY COUNCIL MEETING

- RA1. **Call to Order/Roll Call by the Mayor/Chair**
- RA2. **Approval of Minutes – May 11 and May 18, 2010**
- RA3. **Approval of Agenda and Consent Calendar (Items with asterisk*)**
- *RA4. **Adopt the Final Budget and Financial Plan and Side Letter Agreements of the City of Milpitas and the Milpitas Redevelopment Agency for the Fiscal Year 2010-2011 (Staff Contact: Emma Karlen, 586-3145)**

Background: During the May 11, 2010 Budget Public Hearing, the City Council/Agency approved the City/Agency Proposed FY 2010-11 Annual Budget, the FY 2010-11 Capital Improvement Program (CIP) Budget, the Five Year Capital Improvement Program (2010-2015),

and the staffing and classification changes in the Human Resources Department. Other than adding the “customer satisfaction survey” as a performance measure of the Human Resources Department, there are no other changes to the Final Budget. Staff requests that the Council adopt the Final Budget by adopting seven resolutions included in the agenda packet.

During the Budget Hearing, the Council requested several follow-up items. Included in the agenda packet are the detail schedules for the line item budget for each department and a memo from the Parks and Recreation Services Director on the “Raising a Reader” program. Staff also included a letter from the Chamber of Commerce identifying the breakdown of its requested funding.

Fiscal Impact: Appropriations for the FY 2010-11 Operating and CIP Budget in the total amount of \$130,167,985.

Recommendation: Adopt the Final Budget of the City of Milpitas and Milpitas Redevelopment Agency for the FY 2010-2011 by adopting the following seven resolutions:

- a. Resolution of the City of Milpitas adopting the FY 2010-11 Appropriations Limit of \$66,571,940 for the City of Milpitas.
- b. Joint Resolution of the Redevelopment Agency and the City of Milpitas approving the City’s Final FY 2010-11 Budget of \$130,167,985 including the FY 2010-11 Capital Improvement Budget of \$5,675,545.
- c. Joint Resolution of the Milpitas Redevelopment Agency and the City of Milpitas making findings following a Public Hearing for use of Redevelopment funds.
- d. Resolution of the Milpitas Redevelopment Agency authorizing payments to the City of Milpitas, pursuant to the Second Amended and Restated Public Works Agreement.
- e. Resolution of the Milpitas Redevelopment Agency determining that the planning and administration expenses to be funded in FY 2010-11 by the Housing Reserve Fund are necessary for the production, improvement and/or preservation of affordable housing for the low and moderate-income households.
- f. Resolution of the City Council of the City of Milpitas amending Resolution No. 1626, the Classification Plan.
- g. Resolution of the City Council of the City of Milpitas approving side letter agreements.

***RA5. Approve the New Senior Center Grand Opening Ceremony Program and Budget, Project No. 8176 (Staff Contact: Steve Erickson, 586-3301)**

Background: The Senior Center contractor continues with installation of interior finishes, and site work in preparation of being substantially complete by the end of May 2010. The project is on schedule and within budget, and it is recommended that a modest project grand opening ceremony now be considered. Staff presented a draft of a grand opening program to the Neighborhood Services and Education Subcommittee in March, and highlights of the proposed event include:

- Proposed Grand Opening on Saturday, August 14, 2010 from 10:00 to 11:30 a.m.
- Grand opening ceremony budget: \$13,000, allocated from project budget, no General Fund impact.
- Words and acknowledgement from the City Council, and Neighborhood Services and Education Subcommittee
- Unveiling of the “Generations Bench” at the entrance to the Senior Center.
- Ribbon cutting and opening of the new Senior Center.
- Open activities in the dance studio, game, fitness and art rooms.
- Project mug giveaways and grand opening ceremony program.
- Light refreshments and live big band music in the Community Room.

Staff is requesting the City Council approve the Senior Center Grand Opening ceremony program as shown including the proposed \$13,000 budget.

Fiscal Impact: None.

Recommendation: Approve the Senior Center Grand Opening Ceremony Program on August 14, 2010 and the \$13,000 budget.

***RA6. Authorize the Agency Director to Execute a Contract Change Order with Swenson & Associates for Improvement to the Veterans Memorial, Project No. 8197 (Staff Contact: Steve Erickson, 586-3301)**

Background: The Senior Center contractor, Swenson & Associates, was authorized by a contract change order to complete miscellaneous improvements around the Community Center that have an impact to the Senior Center. Most of these improvements have now been completed including the exterior repainting of the Community Center, replacement of the sidewalks and failed pavement. A slurry seal pavement treatment and new pavement stripping will be completed in June.

Staff is now recommending improvements to the City's Veterans Memorial. The memorial was relocated to its current location between City Hall and the Community Center to avoid impacts from construction of the Senior Center. This current relocated location provides more room seating capabilities for ceremonies and observances, and staff recommends keeping the memorial in this current location.

A proposed improvement plan for the Memorial was reviewed and recommended by the Veterans Commission and the Neighborhood Services & Education Subcommittee. The improvements include the addition of new benches, lighting, landscape upgrades, replacement of two monuments for uniformity, the addition of brass lettering similar to the former memorial, and the etching of the plaza concrete identifying it as the "Veterans Plaza." Work would start in early June after Memorial Day, and it would be completed prior to the Senior Center grand opening.

A diagram with details of the proposed improvements to the Memorial is included in the Agency's agenda packet. The estimated cost for this work was \$50,000, and the contractor has submitted a price not to exceed \$49,685, which is considered reasonable for the work. The cost of the relocation and enhancement of the memorial was anticipated in the original project budget and sufficient funds are available to complete this work.

Fiscal Impact: None.

Recommendation: Authorize the Agency Director to execute contract change order with Swenson & Associates for improvement to the Veterans Memorial, Project No. 8197.

RA7. Agency Adjournment

XVII. REPORTS OF MAYOR, COUNCIL, AND COMMISSION

*** 2. Consider Mayor's Recommendations for Re-appointments to Two Milpitas Commissions (Contact: Mayor Livengood, 586-3051)**

Background: Mayor Livengood recommends the following citizens be re-appointed to two Milpitas Commissions as follows:

Library Advisory Commission

Re-appoint Margie Stephens to a term that expires in June 2012.

Re-appoint Trinidad Aoalin to a term that expires in June 2012.

Parks, Recreation & Cultural Resources Commission

Re-appoint Vishnu Mathur to a term that expires in June 2013.

Re-appoint Stephanie Fong as Alternate No. 1 to a term that expires in June 2012.

Recommendation: Consider the recommendations from Mayor Livengood, and move to approve his recommended re-appointments to two Milpitas Commissions.

3. Consider Mayor's Recommended Appointments to the New Citizens Budget Task Force (Contact: Mayor Livengood, 586-3051)

Background: Mayor Livengood would like to request approval by the City Council of his recommendations for three additional members to serve on the new Citizens Budget Task Force.

Recommendation: Hear Mayor Livengood's recommendations and approve those persons to serve as members on the Citizens Budget Task Force.

*** 4. Adopt a Resolution Requesting the Santa Clara County Board of Supervisors Place a Plaque or Other Commemorative at the New Valley Health Center in Milpitas Recognizing Dr. Albert Currin (Contact: Vice Mayor McHugh, 586-3023)**

Background: Vice Mayor McHugh requests the City Council adopt a resolution requesting the Santa Clara County Board of Supervisors to recognize Dr. Albert Currin by placing a plaque or other appropriate commemorative in a prominent location visible to the public at the new Santa Clara Valley Medical Center in Milpitas.

Fiscal Impact: None.

Recommendation: Adopt a resolution requesting the Santa Clara County Board of Supervisors place a plaque or other appropriate commemorative in a prominent location visible to the public at the Valley Health Center Milpitas recognizing Dr. Albert Currin, and direct staff to work with the County to effectuate creation of and placement of the plaque.

*** 5. Accept the Terrace Gardens, Inc. Annual Financial Report for 2008 and 2009 (Contact: Councilmember Giordano, 586-3032)**

Background: The Two Year Financial Report for Terrace Gardens, Inc. documents the financial position and activities for the fiscal years 2008 and 2009. The independent auditor's report concludes that the financial statement fairly presents the financial position of Terrace Garden's Inc. in conformity with generally accepted accounting principles.

Fiscal Impact: None.

Recommendation: Accept the Terrace Gardens, Inc. Financial Statements for 2008 and 2009.

Veterans Commission

*** 6. Approve the Veterans Commission Bylaws (Staff Contact: Carmen Valdez, 586-3086)**

Background: The Milpitas City Council established the Veterans Commission on December 1, 2009. Since its establishment, the Commission has held three meetings and approved the proposed Bylaws for Council adoption (copy in agenda packet). The Bylaws require the Commission to hold bi-monthly meetings on the first Wednesday of the month with meetings to begin at 5:30 pm.

Fiscal Impact: None.

Recommendation: Approve the Veterans Commission Bylaws.

XVIII. NEW BUSINESS

- * 7. **Approve the Special Events Calendar 2010-2011 (Staff Contact: Dale Flunoy, 586-3228)**

Background: Historically, the City Council has approved the special events planned by the Parks and Recreation Services Department. The proposed 2010 Special Events Calendar is included in the Council's agenda packet. Event details including time, date, event specifics and location are included with the calendar.

Fiscal Impact: The financial impact for Special Events as approved in the 2010-2011 Parks and Recreation Services operating budget is \$174,674 for the costs, supplies, and contracts for the 2010-2011 Special Events, which incorporates all events listed on the Special Event Calendar.

Recommendation: Approve the proposed 2010-2011 Special Events Calendar.

XIX. ORDINANCE

8. **Waive the First Reading and Introduce Ordinance No. 66.3 in order to Adopt the "City of Milpitas Standard Drawings, Specifications and Engineering Guidelines" for City Public Works (Staff Contact: Fernando Bravo, 586-3328)**

Background: All Public Works infrastructure and improvements within the City of Milpitas must conform to City standard engineering drawings, specifications, and guidelines. The City Council last approved a set of standard engineering drawings and specifications on November 5, 1991. New local, state and federal laws and codes have changed since the last revisions, and staff has reviewed and made the necessary corrections to these standards to reflect the new construction and design practices. The revised standard plans, specifications, and engineering guidelines are available for review at the office of the City Engineer. Since the new City standards adopt by reference certain national and state public works standards and requirements, the City Council must hold a noticed public hearing at the second reading of the ordinance. Furthermore, the ordinance gives the City Engineer the authority to make administrative changes to the City standard drawings, specifications and guidelines when technical changes are made to the national or state standards that are incorporated by reference.

Fiscal Impact: None.

Recommendations:

1. Waive the first reading beyond the title of Ordinance No. 66.3.
2. Introduce Ordinance No. 66.3 in order to adopt the City's Revised Standard Drawings and Specification and Engineering Guidelines.
3. Set June 15, 2010 as the date for a public hearing on the adoption of Ordinance No. 66.3 and direct the City Clerk to publish notice of the public hearing.

XX. RESOLUTION

- * 9. **Adopt a Resolution Calling for the General Municipal Election on November 2, 2010 (Staff Contact: Mary Lavelle, 586-3001)**

Background: Milpitas Municipal Code Title I, Chapter 200 Section 1.00 provides for the municipal election to be held on the same day as the statewide General Election. The statewide General Election (Gubernatorial Election) is scheduled this year on November 2. A resolution was drafted calling for the municipal election on Tuesday, November 2, 2010 for the purpose of electing one Mayor and two members of the City Council. The resolution also requests

consolidation of the Milpitas Municipal Election with the statewide General Election and requests provision of services from the Santa Clara County Registrar of Voters.

In June 2006, the City Council adopted Resolution No. 7597 relating to Candidates' Statements of Qualification printed in the sample ballot for municipal elections. This resolution sets forth the total number of words permitted in a Candidate's Statement (200) and that the candidate is responsible for the cost of printing and mailing the statement as well as the translation into minority languages. Please note that the Federal Voting Rights Act requirements as applied to Santa Clara County mandate that election materials be made available in four minority languages - Chinese, Spanish, Tagalog and Vietnamese - in addition to English, since 2002.

Fiscal Impact: None. Funds are budgeted in the City Clerk's FY 2010-11 budget for the election. The County of Santa Clara will invoice the City after the election for all related costs.

Recommendation: Adopt a resolution calling a General Municipal Election on November 2, 2010, requesting consolidation with the statewide election and requesting election services from the County Registrar of Voters.

XXI. BIDS AND CONTRACTS

- * 10. **Authorize the City Manager to Execute a Contract Extension with Empire Maintenance Services for Two Months for the Not-To-Exceed Amount of \$21,000 (Staff Contact: Chris Schroeder, 586-3161)**

Background: On July 5, 2005, the City entered into a three-year contract with two additional one-year options and the contract expires on July 5, 2010. Since entering the contract, the scope of work has changed three times adding additional service locations and contract requirements. Purchasing is working with facilities maintenance staff to do a comprehensive rewrite of the specification. The additional two months' extension to September 5, 2010 is needed to accommodate staff in preparation for bidding the contract out.

Fiscal Impact: \$21,000. Funds for this purchase are available from the FY 2009-10 Facilities maintenance operating budget.

Recommendation: Authorize the City Manager to execute a contract extension for two months with Empire Maintenance Services for the not-to-exceed amount of \$21,000.

- * 11. **Authorize the City Manager to Execute a Contract Extension with Valley Oil for One Additional Year for the Not-to-Exceed Amount of \$756,677 (Staff Contact: Chris Schroeder, 586-3161)**

Background: In February 2007, the City Council awarded a winning bid to Valley Oil Company for a multi-year contract for the purchase and delivery of diesel and unleaded fuel to various locations around the City. The contracted fuel price is based on the Oil Price Information Service (OPIS) Pad 4/5 Index plus a set margin for the contractor. The City has the option to extend the contract for another year. Staff has negotiated with Valley oil and they have agreed to maintain their current margin for one additional year. Valley Oil has consistently provided excellent service and timely delivery. Staff recommends the extension of the contract.

Fiscal Impact: \$756,677. Funds for this purchase are available in the FY 2010-11 Fleet Maintenance Operating Budget in the amount of \$481,677 and from the Utility Maintenance Operating Budget in the amount of \$275,000.

Recommendation: Authorize the City Manager to execute a contract extension with Valley Oil for one additional year for the not-to-exceed amount of \$756,677.

- * 12. **Authorize the City Manager to Execute Amendment No. 3 to the Contract with Cal-West Lighting & Signal Maintenance for Streetlight Improvement Services for the Not-to-Exceed Amount of \$100,000 (Staff Contact: Chris Schroeder, 586-3161)**

Background: The City of Milpitas has an existing contract with Cal-West Lighting and Signal Maintenance for on call traffic signal and streetlight support services. The contract is for one year with two one-year options. Staff recommends exercising the second and final option year and adding \$100,000 to the value of the contract for a total not-to-exceed amount of \$400,000.

Fiscal Impact: Funds are available from CIP No. 8199 Streetlight Pole Improvements (\$50,000.) and from the FY 2010-11 Streets Operating Budget (\$50,000).

Recommendation: Authorize the City Manager to execute Amendment No. 3 to the contract with Cal-West Lighting and Signal Maintenance for streetlight improvement services for the not-to-exceed amount of \$100,000.

- * 13. **Authorize the City Manager to Execute a Contract Change Order with JJR Construction for On-Call Sidewalk, Curb and Gutter Repairs to Extend the Contract for One Additional Year (Staff Contact: Chris Schroeder, 586-3161)**

Background: On August 16, 2005, the City awarded a competitively bid contract to JJR Construction for on-call repairs to sidewalks, curbs and gutters city wide for the not-to-exceed amount of \$185,000 per year. Historically, actual expenditures have not exceeded \$150,000 per year. During the five years of the contract, JJR Construction has provided excellent service and has not raised its price. Staff negotiated with JJR Construction to maintain its price for one additional year. Staff recommends approval of the change order and extension of the contract for one additional year.

Fiscal Impact: \$150,000. Sufficient funds are available in FY 2010-11 budget for CIP No. 4246 Sidewalk Replacement 2009 (\$68,899) and FY 2010-10 budget for CIP No. 4254 Sidewalk Replacement for 2011 (\$81,101) for the costs associated with this change order.

Recommendation: Authorize the City Manager to execute a contract change order with JJR Construction for on-call sidewalk, curb, and gutter repairs to extend the contract for one additional year.

- * 14. **Authorize the City Manager to Amend the Master Services Agreement with York Insurance Group, Inc. through June 30, 2011 (Staff Contact: Carmen Valdez, 586-3086)**

Background: The City entered into an Agreement on November 1, 2005 with Southern California Risk Management Association (SCRMA), now known as York Insurance Services Group, Inc., to provide services and perform work as the City's Workers' Compensation Third Party Administrator in accordance with any applicable requirements of federal, state or local laws or rules and/or regulations. The term of the agreement will expire on June 30, 2010.

At this time, the number of open indemnity claims is 62, and since claims have not gone up this past year, the City will have a 0% increase from last year's amount of \$132,774.

Fiscal Impact: None. There are sufficient funds allocated in the Human Resources departmental FY 2010-11 budget.

Recommendation: Authorize the City Manager to execute an amendment to the current contract with York Insurance Services Group Inc. to extend the agreement through June 30, 2011, and to approve payments in an amount not to exceed \$132,774 for the administration of the workers' compensation program for the City of Milpitas.

*** 15. Authorize the City Manager to Execute a Master Agreement with Santa Clara Valley Transportation Authority Relating to the Silicon Valley Rapid Transit Program Extension Project (Staff Contact: Greg Armendariz, 586-3317)**

Background: The extension of Bay Area Rapid Transit (BART) services into Santa Clara County is being implemented by VTA's Silicon Valley Rapid Transit Program. This extension is being implemented in stages, the first stage being a two-station (Milpitas and Berryessa) extension of approximately ten miles from BART's planned Warm Springs station in Alameda County to VTA's planned Berryessa Station in the City of San Jose. This initial segment has been identified as the Silicon Valley Berryessa Extension (SVBX) Project. VTA is seeking \$900 million in federal funds for the Berryessa Extension Project to be provided by the Federal Transit Administration's (FTA) New Starts program, with the balance of capital funding provided by state and local sources including 2000 Measure A revenues.

VTA was granted permission to enter the Preliminary Engineering phase of the federal New Starts program in December 2009. VTA is seeking permission to enter the Final Design phase of the New Starts Program and anticipates that FTA will grant that permission in late 2010. In considering whether VTA is ready to advance the Berryessa Extension Project into New Starts Final Design, FTA evaluates the status of third-party agreements required for project implementation. FTA prefers to see project sponsors establish and execute "master agreements" with local jurisdictions before entering into Final Design. These agreements guide the working relationship between the project sponsor (VTA) and its local partner (Milpitas) and are intended to minimize risk to the project by defining the framework for key interactions between stakeholder agencies.

After several months of negotiations, the final agreement focuses on several key areas, including the establishment of lines of communication and review and approval of design plans for City facilities and processes for dispute resolution. The master agreement defines the relationship between the City of Milpitas and VTA with respect to the project, and provides for the subsequent creation of sub-agreements or amendments to address specific project issues, including but not limited to utility relocation agreement(s), additional reimbursement for City staff review and engineering analysis of design of proposed City facilities to be constructed or modified by the BART project, cost sharing for project elements that involve city funding participation, and multi-agency agreements.

The following are additional key project elements addressed in the master agreement because they are of particular concern to the City:

- Dixon Landing Road - BART Crossing
- S. Milpitas Boulevard Extension
- Transit Area Specific Plan (TASP)
- Milpitas BART Station - selection of West Transit Center Alternative
- City Utility Crossings of the BART Corridor
- Montague Expressway Widening to provide a frontage road for access to BART station
- Piper Drive Improvements
- At-Grade pedestrian crossing connecting Piper Drive to Great Mall
- BART Corridor Improvements including sound walls, landscaping, storm pump stations and other necessary street and utility infrastructure
- VTA reimbursement for City resources

In the past, VTA has typically not reimbursed the cost of internal review of VTA plans by local agencies. This proposed Master Agreement departs from this policy because of the large magnitude of the project, the need for expedited City engineering reviews, and because a potential design-build project delivery approach would necessitate increased cooperation between VTA and the City of Milpitas. The proposed reimbursement would cover City

engineering review and analysis work related to issuance of encroachment permits for work within City rights-of-way and for relocation and modification of City-owned facilities.

Fiscal Impact: The Master Agreement provides for VTA to establish a deposit account with the City of Milpitas to fund the city's work in reviewing and coordinating project plans. VTA will make an initial deposit amount of \$700,000, which is expected to be sufficient to cover the city's review and coordination costs through February 2011. The agreement provides for additional deposits as needed to complete the City's project efforts.

Recommendation: Authorize the City Manager to execute a Master Agreement with Santa Clara Valley Transportation Authority relating to the Silicon Valley Rapid Transit Program Berryessa Extension Project.

XXII. ADJOURNMENT

**NEXT REGULAR MEETING:
TUESDAY, JUNE 15, 2010**