



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

TUESDAY, JANUARY 4, 2011

7:00 P.M.

455 E. CALAVERAS BOULEVARD

SUMMARY OF CONTENTS

- I. CALL TO ORDER by the Mayor**
- II. ROLL CALL by the City Clerk**
- III. PLEDGE OF ALLEGIANCE**
- IV. INVOCATION (Vice Mayor McHugh)**
- V. APPROVAL OF COUNCIL MEETING MINUTES – December 7, 2010**
- VI. SCHEDULE OF MEETINGS – Council Calendar for January 2011**
- VII. PRESENTATION**
 - Proclamation to American Red Cross for “*Blood Donor Month*” in January
- VIII. 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.

- IX. ANNOUNCEMENTS**
- X. ANNOUNCEMENT OF CONFLICT OF INTEREST**
- XI. APPROVAL OF AGENDA**
- XII. 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.

- XIII. UNFINISHED BUSINESS**
 - 1. Receive Report on Pacific Gas & Electric Gas Transmission Lines in Milpitas (Staff Contacts: Greg Armendariz, 586-3317; Brian Sturdivant, 586-2811; and Sean Simonson, 586-2810)**
- XIV. JOINT REDEVELOPMENT AGENCY AND CITY COUNCIL MEETING**
 - RA1. Call to Order/Roll Call by the Mayor/Chair**

- RA2. Approval of Minutes – December 7, 2010**
- RA3. Approval of Agenda and Consent Calendar (Items with asterisk*)**
- *RA4. Adopt a Resolution Granting Final Acceptance of the Milpitas Library Window Covering for Project No. 8162 (Staff Contact: Steve Erickson, 586-3301)**
- *RA5. Adopt a Resolution Granting Initial Acceptance of and Reducing Performance Bond for the Soundwall Renovation, Project No. 8196 (Staff Contact: Steve Erickson, 586-3301)**
- *RA6. Adopt a Resolution Granting Initial Acceptance of and Reducing Performance Bond for the Department of Energy Grant Program, Project No. 8198 (Staff Contact: Steve Erickson, 586-3301)**
- *RA7. Adopt a Resolution Authorizing the City to Enter into an Agreement with Commerce Bank N.A. for Banking Services (Staff Contact: Emma Karlen, 586-3145)**
- *RA8. Adopt a Resolution Authorizing the Purchase of Two Moderate-Income Units and Releasing the Resale Restriction Agreements for Three Affordable Housing Units (Staff Contact: Felix Reliford, 586-3071)**
- RA9. Agency Adjournment**

XV. REPORTS OF MAYOR

- * 2. Consider Mayor’s Recommendations for Appointments, Re-appointments to Five Milpitas Commissions (Contact: Mayor Esteves, 586-3029)**
- * 3. Consider Mayor’s Recommendations for Appointment, Re-appointment to the Milpitas Planning Commission (Contact: Mayor Esteves, 586-3029)**
- 4. Hear Report of Mayor’s Recommendations for City Council Subcommittee Assignments (Contact: Mayor Esteves, 586-3029)**
- 5. Hear Report of Mayor’s Recommendations for Council Liaison Assignments to City Commissions (Contact: Mayor Esteves, 586-3029)**
- 6. Consider Recommendation of Mayor Esteves to Form an Ad Hoc Subcommittee on Local Campaign Finance Reform (Contact: Mayor Esteves, 586-3029)**

XVI. NEW BUSINESS

- 7. Hear Administrative Appeal of City Manager Decision Upholding the Police Chief’s Denial of a Massage Establishment Permit (Staff Contact: Mike Ogaz, 586-3041)**
- * 8. Request for \$500 donation to Curtner School for Annual Walkathon (Staff Contact: Emma Karlen, 586-3145)**

XVII. RESOLUTIONS

- * 9. Adopt a Resolution Declaring Weeds on Certain Properties to be a Public Nuisance and Setting a Public Hearing for February 1, 2011 to Hear Objections (Staff Contact: Albert Zamora, 586-3371)**

- * 10. **Adopt a Resolution Authorizing Extension of an Extended Services Software Support and Maintenance Agreement with Tiburon Inc. for Police Records Management System for the Not-to-Exceed Amount of \$45,635 and Declare Tiburon, Inc. a Sole Source provider (Staff Contact: Chris Schroeder, 586-3161)**

XVIII. BIDS AND CONTRACTS

- * 11. **Approve a Maintenance Repair Purchase Order with Koffler Electric for the Jurgens Stormwater Pump Station Pump (Staff Contact: Greg Armendariz, 586-3317)**
- * 12. **Approve Amendment No. 2 to the Agreement with Winzler & Kelly for the Ayer Reservoir & Pump Station Project No. 7102 (Staff Contact: Steve Erickson, 586-3301)**
- * 13. **Authorize the City Manager to Execute a Technical Services Support Agreement with Physio-Control, Inc. to Support and Maintain the Lifepak Defibrillator Monitors for the Not-To-Exceed Amount of \$29,510 (Staff Contact: Chris Schroeder, 586-3161)**
- * 14. **Authorize the City Manager to Execute an Agreement with Municipal Revenue Advisors for Sales Tax and Use Tax Consulting Services (Staff Contact: Emma Karlen, 586-3145)**

XIX. ADJOURNMENT

REGULAR MEETING: TUESDAY, JANUARY 18, 2011

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:

- Arts Commission/Public Art Committee (alternate)*
- Bicycle Pedestrian Advisory Commission (alternate)*
- Economic Development Commission (Chamber of Commerce rep.)*
- Emergency Preparedness Commission*
- Mobile Home Park Rental Review Board*
- Parks, Recreation & Cultural Resources Commission (alternates)*
- Recycling & Source Reduction 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

XIII. UNFINISHED BUSINESS

- 1. Receive Report on Pacific Gas & Electric Gas Transmission Lines in Milpitas (Staff Contacts: Greg Armendariz, 586-3317; Brian Sturdivant, 586-2811; and Sean Simonson, 586-2810)**

Background: At the September 7, 2010 City Council meeting, staff was directed to provide Council a report on PG&E's gas transmission lines, information on emergency response and other items of related information. City staff completed this report (included in the agenda packets).

Additional information will be reported verbally at the Council meeting. PG&E representatives will also be in attendance to answer any questions. Lastly, some of the information in this report is dynamic and continually being revised, so future update reports will be provided annually or more frequently, based on the extent of plan revisions.

Fiscal Impact: None.

Recommendation: Receive staff report on PG&E gas transmission lines located in Milpitas.

XIV. JOINT REDEVELOPMENT AGENCY AND CITY COUNCIL MEETING

- *RA4. Adopt a Resolution Granting Final Acceptance of the Milpitas Library Window Covering for Project No. 8162 (Staff Contact: Steve Erickson, 586-3301)**

Background: This project was initially accepted on December 1, 2009 and passed the one-year warranty period. A final inspection of the installed public improvements was made and the work was found to be satisfactory. The project provided a mechanical window shade system in the multipurpose room, and fabric shade coverings to windows in the study rooms of the central historical building.

Staff recommends the Redevelopment Agency grant final project acceptance of the Milpitas Library Window Covering, Project No. 8162, and release of the contractor's bond.

Fiscal Impact: None.

Recommendation: Adopt a resolution granting final acceptance of the Milpitas Library Window Covering, Project No. 8162 and release of the contractor's bond.

- *RA5. Adopt a Resolution Granting Initial Acceptance of and Reducing Performance Bond for the Soundwall Renovation, Project No. 8196 (Staff Contact: Steve Erickson, 586-3301)**

Background: The Agency awarded the Soundwall Renovation Project to Ashron Construction and Renovation, Inc. on October 5, 2010. The project provides for the patching and painting of existing soundwalls along the east side of North Milpitas Boulevard from Berryessa Creek to Escuela Parkway and along the east side of Escuela Parkway from North Milpitas Boulevard to Tramway Drive. The project was successfully completed on time and under budget, and staff recommends the Agency adopt a resolution granting initial acceptance of the project and authorizing the reduction of the contractor's faithful performance bond to \$10,463, which is 10% of the final contract value.

Fiscal Impact: None.

Recommendation: Adopt a resolution granting initial acceptance of the Soundwall Renovation, Project No. 8196, subject to a one year warranty period and reducing the faithful performance bond to \$10,463.

***RA6. Adopt a Resolution Granting Initial Acceptance of and Reducing Performance Bond for the Department of Energy Grant Program, Project No. 8198 (Staff Contact: Steve Erickson, 586-3301)**

Background: The Agency awarded the Department of Energy Grant Program project to Environmental Systems, Inc. on May 4, 2010. The project provided for the replacement of the existing air conditioning chiller and compressor units including controls at the Public Works/Police Department building. The project was successfully completed on time and under budget, and staff recommends the Agency adopt a resolution granting initial acceptance of the project and authorize the reduction of the contractor's faithful performance bond to \$48,131, which is 10% of the final contract value.

Fiscal Impact: None.

Recommendation: Adopt a resolution granting initial acceptance of the Department of Energy Grant Program, Project No. 8198, subject to a one year warranty period and reducing the faithful performance bond to \$48,131.

***RA7. Adopt a Resolution Authorizing the City to Enter into an Agreement with Commerce Bank N.A. for Banking Services (Staff Contact: Emma Karlen, 586-3145)**

Background: The City currently processes over 1,600 vendor payments monthly. Most payments (about 99%) of the invoices are made by checks that require printing, mailing and reconciliation of outstanding checks at month end. Many of the bigger corporations that the City conducts business with prefer payments electronically.

In lieu of sending electronic payments directly to various vendors, the City can utilize a bank to act as a clearing house for the electronic payments. Commerce Bank is the only financial institution that provides vendors a choice on payment methods. Through the bank's ControlPay Advanced Technology, the City can reduce check handling costs, minimize the risk of lost or stolen checks, and maximize float time for cash. This technology is compatible with the City's existing accounting system. Essentially, through the ControlPay Advanced Technology, the City utilizes the VISA credit card network as a clearing house by establishing an initial line of credit of \$220,000 with Commerce Bank. After the City processes the vendors' payments in the accounting system, it will send the payment records to Commerce Bank and the bank will in turn send the payments electronically to those vendors who participate in the VISA card network. The City's credit line will be charged but no interest will accrue. Instead, the City is required to transfer the funds to Commerce Bank within three business days upon presentation of weekly statements.

The bank earns its fees from the participating vendors and will rebate a portion of the fees to the City, ranging from 0.95% to 1.05% of the charges, based upon volume of the transactions. The bank estimates that the City can earn up to \$84,000 annually from the rebate based on the number of vendors who may participate in the VISA credit card network.

Included in the agenda packet are the resolution and the agreement document.

Fiscal Impact: There is no cost to the City to execute the agreement with Commerce Bank to establish the credit line. The City will receive rebate of the bank's credit card fees, currently estimated at approximately \$84,000 annually.

Recommendation: Adopt a resolution authorizing the City to enter into an agreement with Commerce Bank N.A. for banking services.

***RA8. Adopt a Resolution Authorizing the Purchase of Two Moderate-Income Units and Releasing the Resale Restriction Agreements for Three Affordable Housing Units (Staff Contact: Felix Reliford, 586-3071)**

Background: The City has received notification from five property owners who would like to sell their moderate-income affordable housing units. The Resale Restriction Agreement provides the Redevelopment Agency with the option to exercise its right of first refusal to purchase the units or to release the unit from the Resale Restriction Agreement. During normal economic times, the City has lists of eligible moderate income homebuyers to purchase the units.

Staff recommends releasing the affordability restrictions of the three units for the following reasons:

- i. The loss of these three units will not significantly negatively affect the affordable housing inventory in the redevelopment area.
- ii. The three higher priced moderate-income units are similar in purchase price to fair market value homes, which negatively impacts applicant's willingness participation in the agency first-time buyers program.

In the past, staff was successful in finding potential first-time homebuyers for affordable housing units for very low, low and some moderate-income households that are at the lower price range of moderate-income scale. However, when the moderate-income purchase price is to close to the fair market value home prices, applicants are not willing to purchase the same unit they can purchase at fair market value without the government restrictions.

To date, staff located homebuyers or occupants for the previous ten affordable housing units purchased by the Redevelopment Agency in 2009. The Agency currently owns only one moderate-income affordable housing unit within the Terra Serena community. Based on the Disposition and Development Agreement with the County of Santa Clara and KB Home, 63 affordable housing are required to be maintained within Terra Serena. Staff recommends the purchase of the Terra Serena unit and the other moderate-income unit which is at the lower end of the moderate-income pricing scale.

Fiscal Impact: None.

Recommendation: Adopt a resolution authorizing the purchase of two moderate-income housing units and releasing the Resale Restriction Agreements for the three affordable units identified in the resolution.

XV. REPORTS OF MAYOR

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

Background: Mayor Esteves recommends the following citizens be appointed/re-appointed to five Milpitas Commissions as follows:

Arts Commission/Public Art Committee: Newly appoint Manjula Gupta as Alternate No. 2 to a term that expires in October 2011.

Bicycle Pedestrian Advisory Commission: Newly appoint Chris Lee as Alternate No. 2 to a term that expires in August 2011.

Emergency Preparedness Commission:

Appoint Michael Caulkins (current Alternate No. 1) as a regular member to a term that expires in June 2013.

Appoint Don Clendenin (current Alternate No. 2) as Alternate No. 1 to a term that expires in June 2011.

Parks, Recreation, and Cultural Resources Commission:

Newly appoint George Baltazar as Alternate No. 1 to a term that expires in June 2012.

Senior Advisory Commission:

Re-appoint Bal Daquigan to a term that expires in December 2012.

Re-appoint Amanda Santos to a term that expires in December 2012.

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

* **3 Consider Mayor's Recommendations for Appointment, Re-appointment to the Milpitas Planning Commission (Contact: Mayor Esteves, 586-3051)**

Background: Mayor Esteves recommends the following citizens be appointed/re-appointed to the Milpitas Planning Commission as follows:

Re-appoint Sudhir Mandal to a term that expires in December 2013.

Newly appoint Zeya Mohsin to a term that expires in December 2013.

Recommendation: Consider the recommendations from Mayor Esteves, and move to approve his recommended appointment/re-appointment to the Milpitas Planning Commission.

4. Hear Report of Mayor's Recommendations for City Council Subcommittee Assignments (Contact: Mayor Esteves, 586-3029)

Background: Mayor Esteves proposes keeping the same six City Council Subcommittees with assignments as follows:

Economic Development Subcommittee - Mayor Esteves, Chair, Vice Mayor McHugh

Finance Subcommittee - Councilmember Polanski, Chair, Mayor Esteves

Neighborhood Services and Education Subcommittee - Vice Mayor McHugh, Chair, Councilmember Giordano

Rules Subcommittee - Councilmember Giordano, Chair, Councilmember Gomez

Transportation and Land Use Subcommittee - Councilmember Gomez, Chair, Councilmember Polanski

City/Milpitas Unified School District Communication Subcommittee - Vice Mayor McHugh, Councilmember Giordano

Recommendation: Approve recommendations of Mayor Esteves on proposed City Council subcommittee assignments.

5. Hear Report of Mayor's Recommendations for Council Liaison Assignments to City Commissions (Contact: Mayor Esteves, 586-3029)

Background: Mayor Esteves wishes to solicit Council feedback on his list of recommendations for Council liaison assignments to City Commissions for final confirmation at the January 18, 2011 City Council meeting.

Recommendation: Discuss proposed City Council liaison assignments for City Commissions.

6. Consider Recommendation of Mayor Esteves to Form an Ad Hoc Subcommittee on Local Campaign Finance Reform (Contact: Mayor Esteves, 586-3029)

Background: Mayor Esteves recommends formation of an Ad Hoc Subcommittee to review City of Milpitas local campaign finance ordinance and recommend changes as may be necessary. Mayor Esteves recommends City Councilmember Polanski and one other City Councilmember to volunteer to serve on committee.

Fiscal Impact: None.

Recommendation: Approve recommendation of Mayor Esteves.

XVI. NEW BUSINESS

7. Hear Administrative Appeal of City Manager Decision Upholding the Police Chief's Denial of a Massage Establishment Permit (Staff Contact: Mike Ogaz, 586-3041)

Background: On July 28, 2010, Jay Yang, doing business as Healing Needles, Inc., applied for a Massage Establishment Permit. Detailed background information is required so that the Police Department can conduct an investigation to determine whether issuance of the Massage Permit is consistent with operation of such a business in a lawful and professional manner in accord with applicable health and sanitation standards.

An investigation was conducted into the background of individuals associated with the business, past reports of incidents at the address were reviewed, and surveillance of the business was undertaken. Violations were found to have occurred at the premises and several Municipal Code citations had been issued in the past year for conducting massage without a permit. Persons associated with the business had been convicted of sexual solicitation within the previous year.

The permit application was denied by letter from the Police Chief dated September 29, 2010. The Chief noted records showing an arrest for prostitution and various massage ordinance violations at the premises during 2009. Mr. Yang appealed the denial to the City Manager by letter dated October 14, 2010 and the City Manager affirmed the denial after conducting a hearing on November 4, 2010. Mr. Yang again appealed; this time to the City Council by letter dated November 22, 2010. The original permit application, denial letters, appeal letters and police investigative reports are included in the City Council packet.

City Council Decision: In order to issue the permit, the City Council must find, amongst other things, the following:

1. That the application conforms in all respects to the provisions of the Ordinance and all other laws;
2. That no misrepresentations were made on the application;
3. That neither the owner nor managing employee has been convicted of solicitation of prostitution or other crimes involving dishonesty, fraud, deceit, violence or moral turpitude within the previous ten (10) years.

If the Council finds that one or more of the above are not true, the permit should be denied.

Fiscal Impact: Minimal loss or gain of Business License fees.

Recommendation: To consider the evidence presented and determine whether all the findings required under the City Ordinance are true. The permit should not be issued unless all findings are found to be true.

- * **8. Request for \$500 donation to Curtner School for Annual Walkathon (Staff Contact: Emma Karlen, 586-3145)**

Background: In the fall of 2010, the City's former Mayor received a request for a donation from Rachel Decker, a third grade teacher at Curtner Elementary School in Milpitas. The City Council is requested to consider a recommendation to support the class walk-a-thon event held in the fall of 2010. The previous Mayor referred the request to the Finance Subcommittee. Staff received a recommendation from both subcommittee members to approve the donation. Funds are intended for student field trips, computer upgrades and other schoolroom needs.

\$500 is the same amount donated in the past three years to this event.

Fiscal Impact: If authorized, funding would be allocated from the Community Promotions Unallocated budget. The budgeted amount for that line item for FY 2010-11 was \$10,000, and the current balance is \$8,500.

Recommendation: Approve the request submitted to the Mayor and City Council, in accord with Finance Subcommittee members' recommendation, of a \$500 donation to Curtner Elementary School 3rd grade Walk-a-thon.

XVII. RESOLUTIONS

- * **9. Adopt a Resolution Declaring Weeds on Certain Properties to be a Public Nuisance and Setting a Public Hearing for February 1, 2011 to Hear Objections (Staff Contact: Albert Zamora, 586-3371)**

Background: The County of Santa Clara Department of Agriculture and Environmental Management has notified the City of Milpitas that it is commencing its Hazardous Vegetation Abatement (weed abatement) program for the forthcoming 2011 season. The County requested the City Council to adopt a resolution declaring weeds to be a public nuisance and to schedule a public hearing to hear objections to the proposed destruction and/or removal of weeds.

A resolution declaring weeds on specific properties to be a public nuisance is adopted by the Council each year. The City then holds a public hearing to give affected property owners an opportunity to appear before the Council to dispute the designation of their property as a public nuisance. The public hearing will be scheduled on Tuesday, February 1, 2011.

Fiscal Impact: None.

Recommendation: Adopt a resolution declaring weeds on specific properties to be public nuisances, and set a public hearing for the City Council meeting date of February 1, 2011.

- * **10. Adopt a Resolution Authorizing Extension of an Extended Services Software Support and Maintenance Agreement with Tiburon Inc. for Police Records Management System for the Not-to-Exceed Amount of \$45,635 and Declare Tiburon, Inc. a Sole Source provider (Staff Contact: Chris Schroeder, 586-3161)**

Background: In December 1996, the City entered into an agreement with Tiburon, Inc. to provide a Police Records Management System (RMS). This system was used until 1998. After using a replacement system for two years, the City decided to revert to the Tiburon RMS. In July 2000, the City Council authorized the City Manager to reinstitute the annual service and

maintenance agreement with Tiburon, Inc, in order to receive vendor support for the RMS. As Tiburon Inc. is the developer of the software, there is no other source for **support and maintenance** of this application. Renewal of the maintenance agreement is necessary to ensure the operation of the Police records Management System.

Staff recommends that Tiburon, Inc. be designated a sole source provider pursuant to Municipal Code Section I-2-3.09 Sole Source Procurement. The maintenance agreement does not have a termination date and is automatically renewed annually unless cancelled.

Fiscal Impact: None. The cost of the maintenance agreement in fiscal year 2010-11 is \$45,635. Funds for this service are available in the Information Services Department operating budget.

Recommendation: Adopt a resolution authorizing extension of an Extended Services Software Support and Maintenance Agreement with Tiburon Inc. for the Police Records Management System, for a not-to-exceed amount of \$45,635 and declaring Tiburon, Inc. a sole source provider for the service.

XVIII. BIDS AND CONTRACTS

*** 11. Approve a Maintenance Repair Purchase Order with Koffler Electric for the Jurgens Stormwater Pump Station Pump (Staff Contact: Greg Armendariz, 586-3317)**

Background: The Jurgens Stormwater Pump station is located at Dixon Landing Park and it pumps the storm water runoff into Penitencia Creek for the Milpitas area bounded by I-680 (on the east) and I-880 (on the west), City limits (on the north) and Jacklin Road (on the south). This is one of the largest storm pump stations for Milpitas. The storm pump station has four diesel engine driven pumps to handle the high peak storm flow rates. It also has a small electric motor-driven jockey pump which operates only during small storm flow rates of up to 25 gallons per minute. This small pump protects the larger pumps from excessive on and off cycling.

Through a maintenance inspection, the electric jockey pump has been found to require a new pump impeller and shaft. Koffler Electrical provided a cost proposal of \$37,514 for these repairs, including all labor and materials to remove, overhaul, and reinstall the electric pump. This is a reasonable cost for the work and materials involved to rebuild the pump and staff recommends approval, including a contingency of \$2,486, for a grand total not to exceed \$40,000.

Fiscal Impact: None. Sufficient funds are available in the Public Works utility maintenance budget to pay the Koffler Electrical invoice up to an amount not to exceed \$40,000 for the Jurgens Stormwater Pump Station pump repair.

Recommendations: Approve a maintenance repair purchase order with Koffler Electric for the Jurgens Stormwater Pump Station pump for an amount not to exceed \$40,000.

*** 12. Approve Amendment No. 2 to the Agreement with Winzler & Kelly for the Ayer Reservoir & Pump Station Project No. 7102 (Staff Contact: Steve Erickson, 586-3301)**

Background: On October 6, 2009, the City Council entered into a consultant agreement with Winzler & Kelly in the amount of \$38,400 to provide professional engineering and design services for the Ayer Reservoir and Pump Station rehabilitation project. Staff now recommends that Winzler & Kelly provide additional design services related to storm drainage, tank and equipment coatings, and support during project. Staff negotiated a scope and fee for these services for an amount not to exceed \$45,100, which is considered reasonable for the work. There are sufficient funds in the project budget for this additional expense. Approval of this agreement amendment brings the total agreement amount to \$83,500.00.

Fiscal Impact: None. Sufficient funds are available in the project budget.

Recommendation: Approve Amendment No. 2 to the agreement with Winzler & Kelly in the amount of \$45,100 for the Ayer Reservoir & Pump Station, Project No. 7102.

- * 13. **Authorize the City Manager to Execute a Technical Services Support Agreement with Physio-Control, Inc. to Support and Maintain the Lifepak Defibrillator Monitors for the Not-To-Exceed Amount of \$29,510 (Staff Contact: Chris Schroeder, 586-3161)**

Background: On October 2, 2007, City Council approved Physio-Control, Inc. as a sole source provider of Lifepak Defibrillator Monitors for the City, pursuant to Municipal Code Section I-2-3.09 Sole Source Procurement. These defibrillator monitors are compatible with the Santa Clara County Emergency Management System which is a county wide standard and with all transporting services and hospitals in the county. As Physio-Control, Inc. is the manufacturer of this proprietary equipment, there is no other source for support and maintenance of the equipment.

The current support and maintenance agreement expired and renewal of these services is necessary. The new contract will be a five year contract, covering the period of November 1, 2010 through October 31, 2015. Annual maintenance cost is \$5,912, for a total not to exceed cost of \$29,510 for five years.

Fiscal Impact: None. Funds for this service are available in the Fire Department operating budget.

Recommendation: Authorize the City Manager to execute a Technical Services Support Agreement with Physio-Control, Inc. to support and maintain the Lifepak Defibrillator Monitors for the not-to-exceed amount of \$29,510.

- * 14. **Authorize the City Manager to Execute an Agreement with Municipal Revenue Advisors for Sales Tax and Use Tax Consulting Services (Staff Contact: Emma Karlen, 586-3145)**

Background: Municipal Revenue Advisors (MRA) was awarded the contract for sales tax and use tax consultant services in December 2007. The scope of their services was to examine the purchase records of the local businesses and work with the City to develop strategies to change the use tax reporting method of some of the local businesses so that the City can receive 100% of the local share of the use tax revenue. These services have proven to be successful and have helped secure more than \$2.4 million use tax revenue for the City in the last three years.

Staff would like to continue to work MRA to enhance sales/use tax revenues and build relationships with businesses within the City of Milpitas. MRA proposes to continue these services for the City with the same terms. The new contract will be a three year contract with option to extend at the City's sole discretion. MRA's services will be compensated from a percentage of the sales/use tax revenues recovered.

Fiscal Impact: The City may gain sales/use tax revenue that is not currently allocated 100% to the City.

Recommendation: Authorize the City Manager to execute an agreement with Municipal Revenue Advisors for sales tax and use tax consulting services.

XIX. ADJOURNMENT

NEXT REGULAR MEETING: TUESDAY, JANUARY 18, 2011