



**JOINT MEETING OF THE  
MILPITAS HOUSING AUTHORITY  
AND MILPITAS CITY COUNCIL  
AGENDA**



**TUESDAY, MAY 20, 2014**

**455 EAST CALAVERAS BOULEVARD, MILPITAS, CA  
6:00 P.M. (CLOSED SESSION) • 7:00 P.M. (PUBLIC BUSINESS)**

**SUMMARY OF CONTENTS**

- I. CALL TO ORDER by the Mayor (6:00 p.m.)**
- II. ADJOURN TO CLOSED SESSION**
  - 1. CONFERENCE WITH LABOR NEGOTIATORS - COLLECTIVE BARGAINING**

Pursuant to California Government Code Section 54957.6  
City Negotiators: Tom Williams, Carmen Valdez  
Employee Groups: International Association of Fire Fighters Local 1699, Milpitas Employees Association (MEA), Mid-management and Confidential Unit (Mid-Con), and Professional and Technical Group (ProTech)  
Under Negotiation: Wages, Hours, Benefits, and Working Conditions
  - 2. CONFERENCE WITH LEGAL COUNSEL, EXISTING LITIGATION**

Pursuant to California Government Code Section 54956.9(a)  
County of Santa Clara, et al., v. Milpitas Economic Development Corporation, et al., Sacramento County Superior Court case no. 34-2013-80001436, and  
Successor Agency to the Milpitas Redevelopment Agency, et al. v. John Chiang, et al., Sacramento County Superior Court case no. 34-2013-80001508
  - 3. CONFERENCE WITH LEGAL COUNSEL, EXISTING LITIGATION**

Pursuant to California Government Code Section 54956.9(a)  
City of Milpitas v. City of San Jose, Santa Clara County Superior Court case no. 112CV233069
- III. CLOSED SESSION ANNOUNCEMENTS:** Report on action taken in Closed Session, if required pursuant to Government Code Section 54957.1, including the vote or abstention of each member present
- IV. PLEDGE OF ALLEGIANCE (7:00 p.m.)**
- V. INVOCATION (Councilmember Montano)**
- VI. APPROVAL OF COUNCIL MEETING MINUTES – May 6, 2014**
- VII. SCHEDULE OF MEETINGS – COUNCIL CALENDARS – May and June 2014**
- VIII. PRESENTATIONS**
  - City Council to be presented with award from Tobacco Free Coalition of Santa Clara County
  - Proclaim May 2014 as Lions Club International “Eyeglass Recycling Month”
- IX. 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 item not listed on the agenda, 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 place the item on a future meeting agenda.

---

**X. ANNOUNCEMENTS**

**XI. ANNOUNCEMENT OF CONFLICT OF INTEREST AND CAMPAIGN CONTRIBUTIONS**

**XII. APPROVAL OF AGENDA**

**XIII. CONSENT CALENDAR (Items with asterisks\*)**

---

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.

---

**XIV. PUBLIC HEARING**

- 1. Adopt Resolutions Approving Fee Adjustments for Various City's Services and Programs, Approving the Final Budget for the City of Milpitas for Fiscal Year 2014-15, Amending the Classification Plan and Adopting the Appropriations Limit for the City of Milpitas for Fiscal Year 2014-15 (Staff Contact: Emma Karlen, 408-586- 3145)**

**XV. UNFINISHED BUSINESS**

- \* 2. Receive Revised Monthly Water Delivery Schedule March – December 2014, Accept Santa Clara Valley Water District's Request to Execute the Revised Monthly Treated Water Delivery Schedule, and Authorize the Public Works Director to Sign the Revised Schedule (Staff Contact: Steven Machida, 408-586-3355)**

**XVI. REPORTS OF OFFICERS**

- \* 3. Consider Mayor's Recommendation for Re-Appointments to the Economic Development Commission (Contact: Mayor Esteves, 408-586-3029)**
- 4. Upon Request of Councilmember Montano, Consider Adoption of a Resolution in Support of Senate Bill 316 - Postal Service Protection Act of 2013 (Staff Contact: Michael Ogaz, 408-586-3040)**

**XVII. ORDINANCE**

- 5. Consider Introduction of Ordinance No. 196.11 Amending the Milpitas Noise Ordinance to Regulate Residential Noise Levels throughout the Day (Staff Contacts: Scott Ruhland and Jocelyn Puga, 408-586-3274)**

**XVIII. RESOLUTIONS**

- \* 6. Adopt a Resolution Approving a Non-Exclusive Collection, Transportation, and Recycling Agreement with Environmental Resource Recovery, Inc. dba Valley Recycling (Staff Contact: Jeff Moneda, 408-586-3345)**

- \* 7. **Adopt a Resolution Approving the Preliminary Annual Engineer's Report, Declaring Intention to Levy Assessment for Fiscal Year 2014-15, and Providing for Notice of Public Hearing for Landscaping and Lighting Maintenance Assessment District No 95-1, McCarthy Ranch (Staff Contact: Jeff Moneda, 408-586-3345)**
- \* 8. **Adopt a Resolution Approving the Preliminary Annual Engineer's Report, Declaring Intention to Levy Assessment for Fiscal Year 2014-15, and Providing for Notice of Public Hearing for Landscaping and Lighting Maintenance Assessment District No 98-1, Sinclair Horizon (Staff Contact: Jeff Moneda, 408-586-3345)**
- \* 9. **Adopt a Resolution Authorizing the Purchase and Installation of a Replacement Back-Up Generator for Fire Station #4 from Peterson Power Systems, Inc. for the Not-To-Exceed Amount of \$42,891.36 through a Cooperative Procurement Contract (Staff Contact: Chris Schroeder, 408-586-3161)**
- 10. **Consider Request from Gurdwara Sahib Sabha Church to Adopt a Resolution Authorizing a Temporary Street Closure on Kennedy Drive for the Nagar Kirtan Parade Event on Sunday, June 1, 2014 (Staff Contact: Cindy Hom, 408-586-3284)**

**XIX. BID & AGREEMENTS**

- 11. **Approve Temporary Water Service Agreements with Summitpointe and Spring Valley Golf Courses for a Term Up to Two Months (Staff Contact: Steve Machida, 408-586-3355)**
- \* 12. **Award the Bid to Pyro Spectaculars North, Inc. and Approve an Agreement for Annual 4<sup>th</sup> of July City of Milpitas Fireworks for a Five Year Total Not-to-Exceed \$106,650, subject to Annual Budget Appropriation (Staff Contact: Chris Schroeder, 408-586-3161)**
- \* 13. **Approve Amendment No. 3 to the Agreement with DP2 Billing Solutions Extending the Term to June 30, 2015 in the amount Not-To-Exceed \$56,500 for an Eight-year Total Not-to-Exceed amount of \$623,500 for Utility Bill Printing and Processing Services (Staff Contact: Chris Schroeder, 408-586-3161)**
- \* 14. **Approve Amendment No. 4 to the Agreement with ACCO Engineered Systems, Inc. Extending the Term to June 30, 2015 in the amount Not-To-Exceed \$72,960 for City Hall Heating, Ventilation and Air Conditioning Maintenance and Repair (Staff Contact: Chris Schroeder, 408-586-3161)**

**XX. DEMAND**

- \* 15. **Receive a Report of Emergency Repairs to Penitencia Storm Water Pump Station, and Authorize Staff to Pay Invoices for Project No. 3700 (Staff Contact: Jeff Moneda, 408-586-3345)**

**XXI. ADJOURNMENT**

**NEXT REGULARLY SCHEDULED COUNCIL MEETING  
TUESDAY, JUNE 3, 2014**

**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 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](mailto:mogaz@ci.milpitas.ca.gov) / 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](http://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 after initial distribution of the agenda packet are available for public inspection at the City Clerk's office at Milpitas City Hall, 3<sup>rd</sup> floor 455 E. Calaveras Blvd., Milpitas and on the City website.

All City Council agendas and related materials can be viewed online here:  
[www.ci.milpitas.ca.gov/government/council/agenda\\_minutes.asp](http://www.ci.milpitas.ca.gov/government/council/agenda_minutes.asp) (select meeting date)

**APPLY TO SERVE ON A CITY COMMISSION**

Current vacancy on: Senior Advisory Commission

Commission application forms are available online at [www.ci.milpitas.ca.gov](http://www.ci.milpitas.ca.gov) or at Milpitas City Hall.  
Contact the City Clerk's office at 408-586-3003 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 (408) 586-3001 or send an e-mail 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 City Council Chambers for all meetings.*

## AGENDA REPORTS

### XIV. PUBLIC HEARING

1. **Adopt Resolutions Approving Fee Adjustments for Various City's Services and Programs, Approving the Final Budget for the City of Milpitas for Fiscal Year 2014-15, Amending the Classification Plan and Adopting the Appropriations Limit for the City of Milpitas for Fiscal Year 2014-15 (Staff Contact: Emma Karlen, 408-586- 3145)**

**Background:** As part of the FY 2014-15 budget preparation, staff reviewed the fee schedules and fee structures of various City services and programs and determined that fee adjustments are appropriate for several departments' fees. Both the Milpitas Municipal Code and Fiscal Policies require staff to review City fees regularly to ensure that costs for providing certain services are fully recovered through fees. In January of 2014, the City Council approved an updated Cost Allocation Plan that provides the basis for calculating the service costs. Included in the City Council's agenda packet are memos from various departments that identify the reasons for the fee adjustments. The recommended fee adjustments were reviewed and recommended by the City Council Finance Subcommittee. Subcommittee members further recommend that the City Council authorize staff to adjust Building and Planning related fees in subsequent fiscal years, FY 2015-16 and FY 2016-17, based on the change of the fully loaded hourly rates in each year as determined by the Finance Director. The adjusted fees would be published on the City's website.

On April 1, 2014, the City Council conducted a Budget Study Session for the FY 2014-15 Operating Budget. On April 15, 2014, the City Council reviewed the Preliminary FY 2014-15 Capital Improvement Program budget and the FY 2014-2019 Five Year Capital Improvement Program. The FY 2014-15 Proposed Budget includes the first year's funding of the capital improvement projects and is ready for Council's review and adoption. It should be noted that all the comments received from the City Council during the two budget sessions were incorporated in the FY 2014-15 Budget. These include funding of theater show royalty fees for the Center Stage Performing Arts in the amount of \$40,000 from the 2% Transient Occupancy Tax fund, funding for an in-depth feasibility study and analysis for a future Skate Board Park and replacement of the audio/visual system at the Milpitas Community Center Auditorium in the 2014-15 CIP. Public Art funding of \$101,200 and an additional \$10,000 funding for the non-profit Project Sentinel services from the Housing Authority Fund are also included in the FY 2014-15 Operating Budget.

**Fiscal Impact:** Total budget amount including the first year's funding of the capital improvement projects for FY 2014-15 is \$119,812,215.

**Recommendations:**

1. Open the public hearing for comments, and following those, move to close the public hearing.
2. Consider adopting the following four resolutions:
  - a) Joint Resolution of the City Council and the Housing Authority approving the final budget for the City of Milpitas for Fiscal Year 2014-15.
  - b) Resolution amending the classification plan, adding two positions and reclassifying two positions.
  - c) Resolution adopting the appropriations limit for the City of Milpitas for Fiscal Year 2014-15.
  - d) Resolution approving fee adjustments for various City services and programs to be effective 60 days after adoption by the City Council.

## XV. UNFINISHED BUSINESS

- \* 2. **Receive Revised Monthly Water Delivery Schedule March – December 2014, Accept Santa Clara Valley Water District’s Request to Execute the Revised Monthly Treated Water Delivery Schedule, and Authorize the Public Works Director to Sign the Revised Schedule (Staff Contact: Steven Machida, 408-586-3355)**

**Background:** In the Santa Clara Valley region, 2013 was the driest year of recent record and 2014 is projected to be critically dry as well. As such, the Santa Clara Valley Water District Board of Directors adopted Resolution No. 14-11 on February 25, 2014 calling for a 20 percent water use reduction through December 2014. The City Council was informed at its March 18, 2014 Council meeting that the Santa Clara Valley Water District (SCVWD) and San Francisco Public Utilities Commission (SFPUC) declared a 20% mandatory and 10% voluntary water conservation program, respectively.

The SCVWD recently submitted a revised Monthly Treated Water Deliver Schedule for March – December 2014 depicting the City’s 2014 anticipated water use projection and a 20% reduction from these figures in response to the SCVWD’s resolution. The District’s staff is requesting the City’s concurrence for the 20% reduced water deliveries.

City of Milpitas staff met with SCVWD representatives on April 23, 2014 to discuss outcomes of reducing the SCVWD water deliveries and possible penalties if the City were not able to meet the reduction goals. District staff assured City staff that there are currently no penalties in place but the District requests all water retailers to develop programs to encourage wise water use to meet the intended goals. Signing of the Revised Monthly Treated Water Deliver Schedule March – December 2014 acknowledges the reduced water delivery schedule and will reduce the City’s contractual minimum charge based on these reduced deliveries.

**California Environmental Quality Act:** The Revised Monthly Treated Water Delivery Schedule March – December 2014 is exempt from CEQA as there will be no physical change to the environment.

**Fiscal Impact:** A rigorous conservation program would include additional outreach and customer service response which will be covered by the water operations budget.

**Recommendations:**

1. Receive revised monthly Treated Water Delivery Schedule March – December 2014.
2. Accept SCVWD’s request for the City to execute a revised Monthly Treated Water Delivery Schedule for March – December 2014.
3. Authorize the Public Works Director to sign the Revised Monthly Treated Water Delivery Schedule for March – December 2014 and submit the document to the SCVWD.

## XVI. REPORTS OF OFFICERS

- \* 3. **Consider Mayor’s Recommendation for Re-Appointments to the Economic Development Commission (Contact: Mayor Esteves, 408-586-3029)**

**Background:** Mayor Esteves recommends re-appointment of Dhaval Brahmhatt as a regular member to the Economic Development Commission to a term that will expire in April 2017, and re-appointment of Mark Wong as Alternate No. 2 to another term that will expire in April 2016.

**Recommendation:** Receive Mayor’s recommendation and re-appoint Dhaval Brahmhatt and Mark Wong to new terms on the Economic Development Commission.

**4. Upon Request of Councilmember Montano, Consider Adoption of a Resolution in Support of Senate Bill 316 - Postal Service Protection Act of 2013 (Staff Contact: Michael Ogaz, 408-586-3040)**

**Background:** On April 16, 2014, Councilmember Carmen Montano received a letter from the National Association of Letter Carriers, Branch 193, requesting that the Milpitas City Council support Senate Bill 316 and House Bill 630, collectively known as the Postal Service Protection Act of 2013 (the “Protection Act”). That letter is included in the Council packet together with a proposed resolution of support. The Protection Act was introduced to the federal legislature on February 13, 2013. The major provisions of the Protection Act would (i) prohibit the termination of Saturday mail service, reinstate overnight delivery standards, and prevent shutdowns of mail sorting centers; (ii) recalculate and restore retirement annuity obligations of the United States Postal Service (“USPS”); (iii) eliminate the requirements that the USPS pre-fund the Postal Service Retiree Health Benefits Fund; and (iv) establish a Chief Innovation Officer position.

Currently, there is competing federal legislation calling for USPS reform (House Bill 2748 and Senate Bill 1486), collectively known as the Postal Reform Act of 2013 (the “Reform Act”). The Reform Act of 2013 is backed by the Rural County Representatives of California and includes broad changes to operations, revenue, and governance and would require some employee funding of the USPS retirement and health care systems. The Reform Act appears to be a reaction to the earlier Protection Act as its provisions are largely opposite.

The USPS is the second largest civilian employer in the country with 25% of its employees being United States veterans. In its letter, the National Association of Letter Carriers, Branch 193, requests the City to support the Protection Act and impliedly oppose the Reform Act. The Association states that the Reform Act would impose a burden on USPS by continuing to require pre-funding of the Postal Service Retiree Health Benefits Fund, and it would harm the long-term viability of the USPS by slowing service and weakening its retail, processing and delivery networks. Further, the Association states that the Reform Act would threaten more than 80,000 postal jobs by terminating Saturday delivery and door-to-door service.

Many California cities have endorsed the Protection Act, including San Jose, Campbell, Berkeley, Millbrae, Santa Clara, Daly City, San Francisco, San Luis Obispo, Sebastopol, Los Angeles and Martinez.

**Fiscal Impact:** None.

**Recommendation:** Consider adoption of a resolution in support of Senate Bill 316 and House Bill 630, collectively known as The Postal Service Protection Act of 2013.

**XVII. ORDINANCE**

**5. Consider Introduction of Ordinance No. 196.11 Amending the Milpitas Noise Ordinance to Regulate Residential Noise Levels throughout the Day (Staff Contacts: Scott Ruhland and Jocelyn Puga, 408-586-3274)**

**Background:** Recently, staff received complaints regarding disruptive noise levels during daytime hours in residential districts. The Milpitas Municipal Code does not regulate daytime noise levels. The proposed Municipal Code amendment consists of the following new definition, and related amendment to Title V – Public Health, Safety, and Welfare, Chapter 213 – Noise Abatement, Sections 213-2 and 213-3 of the Milpitas Municipal Code:

- 1) Amend Section 213-2 of Chapter 213, Noise Abatement to create a definition for the following terms: “Ambient Noise Level”; “Decibel (dB)”; and, “Equivalent Energy Level (Leq).”

- 2) Amend Section 213-3 of Chapter 213, Noise Abatement, to clarify regulations for any noise levels that increase the noise exposure by three (3) dB over the local ambient noise level, or more than 65dB at the property line, whichever is more restrictive throughout the day in residential zones. Additionally, create regulations for noise levels that are audible 50 feet away from the noise source at night or 100 feet during the day.

**California Environmental Quality Act:** This project is categorically exempt from further CEQA review under Section 15061(b)(3) of the CEQA Guidelines in that the project has no potential to cause a significant effect on the environment. Staff determined that creating a new definitions and related amendments to regulate daytime noise levels has no potential to cause a significant effect on the environment.

**Recommendations:**

1. Following reading of the title by the City Attorney, move to waive the first reading of Ordinance No. 196.11.
2. Move to introduce Ordinance No. 196.11 creating new definitions, clarifying nighttime regulations and creating new regulations for daytime residential noise levels.

**XVIII. RESOLUTIONS**

- \* **6. Adopt a Resolution to Approve a Non-Exclusive Collection, Transportation, and Recycling Agreement with Environmental Resource Recovery, Inc. dba Valley Recycling (Staff Contact: Jeff Moneda, 408-586-3345)**

**Background:** In accordance with Title V, Chapter 200 of the Milpitas Municipal Code and the City's solid waste franchise agreement with Republic Services, solid waste collectors may enter into non-exclusive agreements with the City to collect and dispose of certain non-organic solid waste and/or construction and demolition debris from Milpitas residents and businesses that are not covered by the Republic Services exclusive franchise agreement.

In June of 2011, the City entered into a non-exclusive agreement with Environmental Resource Recovery Inc. dba Valley Recycling for a three-year term which will expire on June 6, 2014. Staff proposes to enter into a new non-exclusive agreement which will allow the collector to continue to operate. The proposed agreement grants a new three-year term commencing on June 7, 2014 and updates existing contract language. Staff also requests authority to administratively review collections under the agreement and grant a maximum of two, three-year agreement extensions without further Council action.

**California Environmental Quality Act (CEQA):** The action is not considered a project under CEQA as there will be no direct or reasonably foreseeable indirect physical change in the environment.

**Fiscal Impact:** A 12% franchise fee is paid by all non-exclusive collection haulers which is estimated at \$950,000 annually.

**Recommendation:** Adopt a resolution to approve a Non-Exclusive Collection, Transportation, and Recycling Agreement with Environmental Resource Recovery, Inc. dba Valley Recycling for a three-year term commencing on June 7, 2014 and authorize the City Manager or designee to extend the agreement for a maximum of two, three-year extensions.

- \* **7. Adopt a Resolution Approving the Preliminary Annual Engineer's Report, Declaring Intention to Levy Assessment for Fiscal Year 2014-15, and Providing for Notice of Public Hearing for Landscaping and Lighting Maintenance Assessment District No 95-1, McCarthy Ranch (Staff Contact: Jeff Moneda, 408-586-3345)**

**Background:** Landscaping and Lighting Maintenance Assessment District No. 95-1 (LLMD 95-1) maintains and improves public landscaping, irrigation systems, and pedestrian lighting along portions of McCarthy Boulevard and the Ranch Drive gateway between State Route 237 and Dixon Landing Road. Before Council may levy the annual assessment for this District, the Landscaping and Lighting Act of 1972 requires Council to approve an annual Engineer's Report evaluating the LLMD District's maintenance and improvement costs.

On May 6, 2014, the City Council directed the City Engineer to prepare this report, which is included in the Council packet. Proposed improvements included in the draft 2014-2019 Capital Improvement Program are the renovation of portions of the LLMD District's lighting, landscaping, and irrigation systems. The proposed total assessment of \$276,676.00 is not increased from the prior year. Council must also adopt a resolution that declares its intent to levy an assessment and directs publishing of notice of a public hearing to be held on June 3, 2014.

**Fiscal Impact:** None.

**Recommendation:** Adopt a resolution approving the annual Engineer's Report, declaring intention to levy an assessment, and providing for notice of public hearing on June 3, 2014 for LLMD No. 95-1, McCarthy Ranch.

- \* **8. Adopt a Resolution Approving the Preliminary Annual Engineer's Report, Declaring Intention to Levy Assessment for Fiscal Year 2014-15, and Providing for Notice of Public Hearing for Landscaping and Lighting Maintenance Assessment District No 98-1, Sinclair Horizon (Staff Contact: Jeff Moneda, 408-586-3345)**

**Background:** Landscaping and Lighting Maintenance Assessment District No. 98-1 (LLMD 98-1) maintains and improves public landscaping, irrigation systems along Sinclair Frontage Road, Los Coches Creek, and Berryessa Creek abutting the Sinclair Horizon residential subdivision. Before Council may levy the annual assessment for this District, the Landscaping and Lighting Act of 1972 requires Council to approve an annual Engineer's Report evaluating the LLMD District's maintenance and improvement costs.

On May 6, 2014, the City Council directed the City Engineer to prepare this report, which is included in the Council packet. The proposed total assessment of \$36,591.00 is not increased from the prior year. Council must also adopt a resolution that declares its intent to levy an assessment and directs publishing of notice of a public hearing to be held on June 3, 2014.

**Fiscal Impact:** None.

**Recommendation:** Adopt a resolution approving the annual Engineer's Report, declaring intention to levy an assessment, and providing for notice of public hearing on June 3, 2014 for LLMD No. 98-1, Sinclair Horizon.

- \* **9. Adopt a Resolution Authorizing the Purchase and Installation of a Replacement Back-Up Generator for Fire Station #4 from Peterson Power Systems, Inc. for the Not-To-Exceed Amount of \$42,891.36 through a Cooperative Procurement Contract (Staff Contact: Chris Schroeder, 408-586-3161)**

**Background:** The Fiscal Year 2013-14 budget includes purchase of a replacement back-up generator for Fire Station #4. This is a cooperative purchase through the National Joint Powers Alliance (NJPA). Cooperative purchasing through NJPA is specifically authorized pursuant to Municipal Code Section I-2-3.08 "Cooperative Procurement." The Purchasing Agent reviewed all of the documentation from the National Joint Powers Alliance Request for Proposal (RFP) #080613 entitled "Electrical Energy Equipment with Related Accessories, Services, and Supplies" and determined that the underlying purchase was made using competitive bidding procedures at least as restrictive as the City of Milpitas. The price for the Caterpillar D25-S8

25kw Genset Diesel Generator is the same as that offered in the original agreement. The total contract price includes a \$4,000 contingency to cover installation delays or additional work. Purchasing the Generator and installation through NJPA represents a savings of \$16,418.00 off the regular list price.

**Fiscal Impact:** None. Sufficient funding is available in the FY 2013-14 Capital Improvement Program Fund for this purchase.

**Recommendation:** Adopt a resolution authorizing the purchase of a replacement back-up generator for Fire Station #4 from Peterson Power Systems, Inc. for the not-to-exceed amount of \$42,891.36 through a cooperative procurement contract pursuant to Milpitas Municipal Code Section I-2-3.08.

**10. Consider Request from Gurdwara Sahib Sabha Church to Adopt a Resolution Authorizing a Temporary Street Closure on Kennedy Drive for the Nagar Kirtan Parade Event on Sunday, June 1, 2014 (Staff Contact: Cindy Hom, 408-586-3284)**

**Background:** The Gurdwara Sahib Singh Sabha Church located at 680 E. Calaveras Blvd. is requesting to hold a parade for its Nagar Kirtan Celebration. The parade and celebration festivities are proposed to be held on Sunday, June 1, 2014. The parade is programmed between the hours of 11:00 AM to 1:00 PM. However, the road shall be closed an hour before and after to set up and remove the traffic controls. The procession route is proposed along Kennedy Drive between S. Park Victoria Drive and Old Evans Road. The parade begins and terminates at Cardoza Park where a celebration festival will be held at the Milpitas Sports Center track and football field. The proposed parade requires street closures of Kennedy Drive between the hours of 10:00 AM to 2:00 PM for public safety and protection. If Council authorizes the street closure, the applicant shall be subject to applicable fees for the implementation of the Traffic Control Plan (in agenda packet) and associated City services. Conditions would also be imposed on the Special Event Permit to ensure traffic and pedestrian safety.

**Event Parking** The applicant proposes a shuttle service to and from the Gurdwara church, parade formation area at Cardoza Park, Milpitas Sports Center, and event parking areas for the duration of the event. Event participants will be instructed to park at the Milpitas Sports Center parking lot or at the vacant Mervyn's parking lot. Participants will be shuttled to the Gurdwara church for the initial worship service. At the end of the worship service, participants would be shuttled to Cardoza Park. Shuttle services would also be provided for those leaving the festival and returning to the off-site event parking at the vacant Mervyn's site. There will be anticipated traffic and parking congestion within the Milpitas Boulevard and Los Coches Street area because of the Milpitas Chamber's International BBQ and Festival which will be held on the same day as the proposed Nagar Kirtan worship services, parade and festival.

**Event Security** The applicant contracted with Golden State Security and Patrol for event security. Staff is requiring a total of ten private security officers in which two-four security officers will be patrolling at each event area including the off-site parking areas to maintain crowd control and to assist with directing pedestrian traffic.

**Analysis** This is a cultural community event that anticipates approximately 2,000 participants. The event will require special event parking and shuttle services. As a result of the proposed parade route, residents living on Kennedy Drive will not be able to have vehicle ingress/egress to and from their homes for a four hour period and there will be significant parking and traffic issues due to the temporary street closures and re-routing of traffic to other local streets in this neighborhood. Staff identified 114 homes along Kennedy Dr., Topham Ct., Lynne Ave., and N. Temple. Dr. that will be inaccessible. In an effort to provide adequate public notification, the applicant was to hold a community meeting on May 15, 2014 to address any neighborhood concerns or issues. Approximately 1,000 notices have been mailed to property owners and residents within the neighborhood of Kennedy Drive. Feedback from the community outreach

meeting with the residents as well as all other public comments received about the parade will be reported to the City Council for consideration. Staff has received phone calls from residents living in and around Kennedy Drive concerned about access to their properties, traffic, parking and related issues in the residential neighborhood.

**Fiscal Impact:** None. As a condition of approval of the Special Event Permit, the applicant shall pay a fee deposit to cover the cost of city services associated with the implementation of the traffic handling plan, Milpitas Police patrol and Fire services for the event. Furthermore, the applicant is subject to pay staff cost for permit processing of the Special Event Permit, Fire Assembly Permit, electrical permits, and the associated permit inspections.

**Recommendations:** Consider request from Gurdwara Sahib Sabha Church to adopt a resolution authorizing temporary street closure on Kennedy Drive between S. Park Victoria Drive and Old Evans Road for the Nagar Kirtan Parade on Sunday June 1, 2014 from 10:00 AM to 2:00 PM.

## **XIX. BID & AGREEMENTS**

### **11. Approve Temporary Water Service Agreements with Summitpointe and Spring Valley Golf Courses for a Term Up to Two Months (Staff Contact: Steve Machida, 408-586-3355)**

**Background:** The Santa Clara Valley Water District (SCVWD) notified 72 Santa Clara County untreated water customers, primarily agricultural users and golf courses, that their water supply will cease effective May 1. A copy of the notice is included in the Council packet. This action was a result of the State Department of Water Resources providing zero water allocation to the State Water Project (SWP), which serves these 72 County customers. This action affects two golf courses, two agricultural users, and a rock quarry in the Milpitas hillside. The two golf courses are within the Milpitas City limits and could be served by potable water, while the two agricultural uses and rock quarry are outside City limits. Both golf courses have requested a temporary connection to the Milpitas water supply.

City of Milpitas staff recently met with representatives from both Summitpointe and Spring Valley golf courses. Both golf courses were fully aware that the State is curtailing water delivery to the SWP serving their facilities. As a result, both facilities requested extensions from the SCVWD to receive water beyond the May 1<sup>st</sup> deadline to allow the golf courses to pursue alternate water sources. Both Summitpointe and Spring Valley are re-activating old, on-site water wells and conducting hydrogeologic studies to locate areas to site new well(s). Additionally, the golf courses have prepared water operation plans to curtail the use of water in stages if water allocations are reduced further over time.

It is encouraging to the SCVWD that both golf courses are proactively seeking other sources of water and are preparing operational plans to address the curtailment of water to their facilities. As a result, the SCVWD recently granted the requested extension with limited availability of 80% of their 2013 water use until July 1, 2014. After July 1<sup>st</sup>, representatives of the golf courses would irrigate their facilities solely from their new and re-activated wells. Use of water from the City source would only be used to supplement, on a temporary basis, their irrigation water supply during 2014. City staff indicated to both Summitpointe and Spring Valley that a temporary supply would only be for a two- month period from the time the City initially provides temporary water service. Representatives from both golf courses agreed the temporary two-month service was acceptable.

It is anticipated that City water will be delivered through a fire hydrant or direct connection to the golf courses' reservoirs. The golf courses will be responsible to construct any needed piping, backflow devices, meters and obtain permits to receive the water from the City system. It is necessary to limit the water use for Summitpointe and Spring Valley, for the two month period, to 27 acre feet each due to infrastructure capacity of the City's hillside water system and to insure sufficient supply to meet health and safety requirements of the community. These

deliveries reflect a 66% reduction for Spring Valley and a 60% reduction for Summitpointe from their 2013 usage.

**California Environmental Quality Act (CEQA):** The water agreements are categorically exempt from further CEQA review under Section 15034, Minor Alterations to Land, of the CEQA Guidelines in that the proposed project includes minor trenching and backfill for water supply purposes.

**Fiscal Impact:** None. There will be no fiscal impact to the City as the additional operational costs of the water served to Summitpointe and Spring Valley will be recouped through utility billing. The associated work to extend the on-site water mains to the golf course sites will be the responsibility of the golf courses.

**Recommendation:** Approve temporary water service agreements with Summitpointe and Spring Valley golf courses for a term up to two months from first delivery, at no cost to the City.

- \* 12. **Award the Bid to Pyro Spectaculars North, Inc. and Approve an Agreement for Annual 4<sup>th</sup> of July City of Milpitas Fireworks for a Five Year Total Not-to-Exceed \$106,650, subject to Annual Budget Appropriation (Staff Contact: Chris Schroeder, 408-586-3161)**

**Background:** In 2014, the City marked its 60<sup>th</sup> anniversary. Since the 4<sup>th</sup> of July is traditionally marked by a display of fireworks in Milpitas, it is fitting to incorporate a salute to the City's 60<sup>th</sup> Year Anniversary with that celebration.

The City has contracted with Pyro Spectacular by Sousa for its annual 4<sup>th</sup> of July Fireworks display for more than ten years as the vendor of choice for the Milpitas Fire Department and the City of Milpitas. Competitive sources for this service have been and continue to be very limited. However, since there is the presence of competition, the Purchasing Agent deemed it prudent to open this contract up for competition. As such, on March 28, 2014, a Request for Bids was issued and advertised in the local newspaper and nationwide through the Public Purchase website. Although interest was directly expressed by one other potential proposer, only one bid was received by the April 18 due date, from Pyro Spectaculars, North Inc.

Pyro Spectaculars is the premier provider of pyrotechnic devices and aerial fireworks displays on the west coast of the United States. Its track record with the City of Milpitas has been that of excellence, safety, custom designed set pieces and bright work. By bidding the contract out, the City was able to lock in the base pricing for the first two years at \$20,000 per year, which is \$1,600 less than cost since 2013 and cap the annual increase at 3% for the final three years of the contract, representing a overall cost savings of \$4,350. The separate cost for the City's 60<sup>th</sup> Anniversary Fireworks Salute is \$3,000 for a total cost of \$23,000 in 2014.

**Fiscal Impact:** \$23,000. Funds for fireworks are available in Recreation Services FY 2013-14 operating budget and future funding will be subject to annual appropriation in the City's budget.

**Recommendation:** Award the bid to Pyro Spectaculars North, Inc. and approve an agreement for annual 4<sup>th</sup> of July City of Milpitas fireworks in the amount of \$23,000 for 2014 and up to \$21,850 for four additional years through July 31, 2018, for a total not-to-exceed \$106,650, subject to annual budget appropriation and without further City Council approval.

- \* 13. **Approve Amendment No. 3 to the Agreement with DP2 Billing Solutions Extending the Term to June 30, 2015 in the amount Not-To-Exceed \$56,500 for an Eight-year Total Not-to-Exceed amount of \$623,500 for Utility Bill Printing and Processing Services (Staff Contact: Chris Schroeder, 408-586-3161)**

**Background:** On March 12, 2007, the City issued a Request for Proposals (RFP) that resulted in Council approval of a three year contract with three-one year renewal options with DataProse,

Inc. On June 30, 2010, the City acknowledged that CSG Systems, Inc. had acquired DataProse, Inc. and accepted all rights and responsibilities under the contract. On April 16, 2013, a fourth one-year contract extension was authorized by Council extending the contract through June 30, 2014. With commencement of the fourth renewal option year on July 1, 2013, an Assumption Agreement was executed transferring all rights and responsibilities for the contract from CSG Systems, Inc. to DP2 Billing Solutions, LLC.

At the time of the request for Council approval of the fourth renewal, it was anticipated that a new RFP process would have yielded a new contract prior to the expiration of the fourth option year. Staff decided to separate the electronic bill presentment and payment from the utility bill printing and mailing services. Since a new RFP was issued for the electronic bill presentment and payment, additional time is needed to complete a successful competitive procurement process for the utility bill printing and mailing services.

DP2 Solutions, LLC has continued to provide very good service and agreed to favorable pricing until the competitive process is concluded. As such, an additional twelve months contract extension is sought to June 30, 2015 with a modified scope of services to reflect projected needs during the extension period. Cost for the utility bill printing and mailing services is \$16,500 and \$40,000 for postage for FY 2014-15.

**Fiscal Impact:** None.

**Recommendation:** Approve amendment No. 3 to the Agreement with DP2 Solutions, LLC extending it from July 1, 2014 to June 30, 2015, for the not-to-exceed amount of \$56,500 for an eight year value of \$623,500 total for utility bill printing and processing services.

- \* 14. **Approve Amendment No. 4 to the Agreement with ACCO Engineered Systems, Inc. Extending the Term to June 30, 2015 in the amount Not-To-Exceed \$72,960 for City Hall Heating, Ventilation and Air Conditioning Maintenance and Repair (Staff Contact: Chris Schroeder, 408-586-3161)**

**Background:** ACCO Engineered Systems, Inc. was the lowest responsible bidder for the original installation of the HVAC system when City Hall was built. Due to the customized and proprietary nature of the software used in the HVAC control system, ACCO Engineered Systems, Inc. is the sole source provider of maintenance and repair services. On June 18, 2013, Council approved Amendment No. 2 to extend the contract date to February 17, 2014. On February 18, 2014, the parties entered into Amendment No. 3 to extend the agreement to June 30, 2014 and increase the contract amount by \$34,000 for continued HVAC maintenance and repair services. Staff is now requesting an additional twelve months extension of the existing contract to June 30, 2015 and additional compensation for services to be rendered during the extended contract term in the amount of \$72,960 for a total contract amount of \$311,814.40.

**Fiscal Impact:** None. This is a programmed expense in the FY 14-15 operating budget for Facilities Maintenance.

**Recommendation:** Approve Amendment No. 4 to the Agreement with ACCO Engineered Systems, Inc. extending it from July 1, 2014 to June 30, 2015 for an amount not to exceed \$72,960 for City Hall Heating, Ventilation and Air Conditioning maintenance and repair.

## XX. DEMAND

- \* 15. **Receive a Report of Emergency Repairs to Penitencia Storm Water Pump Station, and Authorize Staff to Pay Invoices for Project No. 3700 (Staff Contact: Jeff Moneda, 408-586-3345)**

**Background:** Pursuant to state public contracting law and Council Resolution No. 7779, the Director of Public Works may authorize emergency work, but must provide the City Council with a report of all such activities. In accordance with these requirements, the Public Works Director has authorized Pump Repair Service Company to remove, rebuild, and reinstall all of the damaged pumps and authorized Bayside Equipment Company to remove, rebuild, and reinstall the damaged diesel engines.

Penitencia Storm Water Pump Station was constructed in the 1950s and is the oldest pump station in Milpitas. During a recent rain, the engine for the primary pump at Penitencia pump station malfunctioned and overheated resulting in damages to both the shaft driven pump and the engine. The secondary pumps (which come online if the primary pump fails or cannot keep up with flow) has a corroded column and a blown head gasket and will not pump at capacity. Due to the age and the level of corrosion that has been observed, all of the pumps need to be removed and repaired, and the three engines need to be rebuilt to guarantee future operation and reliability in a storm event.

The firms of Pump Repair Service Company and Bayside Equipment Company were selected to perform the work based upon their proposal understanding of the City's pump stations and the City's experience with their workmanship in completion of several projects for the City in the past. The scope of work for Pump Repair Service Company includes the removal, rebuilding, and reinstalling the four vertical turbine shaft driven pumps and right angle drives for a maximum cost of \$240,000. The scope of work for Bayside Equipment Company includes the removal, rebuilding, and reinstalling the three diesel drive engines for a maximum cost of \$32,000.

**California Environmental Quality Act (CEQA):** This project is categorically exempt under Section 15301 of the California Environmental Quality Act guidelines for maintenance of existing facilities.

**Fiscal Impact:** None. Sufficient funds are available in the project budget for these services.

**Recommendation:** Receive this report of emergency repairs to Penitencia Pump Station, Project No. 3700 and authorize payment of invoices for the work up to a maximum amount of \$272,000.

## XXI. ADJOURNMENT

**NEXT REGULARLY SCHEDULED COUNCIL MEETING  
TUESDAY, JUNE 3, 2014**