

SAN JOSE/SANTA CLARA TREATMENT PLANT ADVISORY COMMITTEE

CHUCK REED, CHAIR
BOB LIVENGOOD, VICE-CHAIR
KEVIN MOORE, MEMBER
PATRICIA MAHAN, MEMBER
MADISON NGUYEN, MEMBER

KEN YEAGER, MEMBER
JOHN GATTO, MEMBER
ED SHIKADA, MEMBER
NORA CAMPOS, MEMBER

AGENDA

4:30 p.m.

January 14, 2010

Room T-1047

1. ROLL CALL

2. MINUTES

A. Minutes of December 10, 2009

3. UNFINISHED BUSINESS

4. CORRESPONDENCE

5. REPORTS

A. Open Purchase Orders Greater Than \$100,000
The attached monthly Procurement and Contract Activity Report summarizes the purchase and contracting of goods with an estimated value between \$100,000 and \$1 million and of services between \$100,000 and \$250,000.

6. AGREEMENTS

A. Technical Committee Recommendation (Handout)

B. Action Item – TPAC Recommendation for Concurrence Requested

The following item is scheduled to be heard by the San Jose City Council on January 12, 2010:

1. Adopt a resolution authorizing the City Manager to submit a grant proposal to the California Energy Commission, Alternative and Renewable Fuel and Vehicle Technology Program, for up to \$10,000,000 for the development of a biomethane transportation fuel production facility on Water Pollution Control Plant lands, subject to the concurrence of the Treatment Plant Advisory Committee.

C. Action Item – TPAC Recommendation for Concurrence Requested

The following item is scheduled to be heard by the San Jose City Council on January 26, 2010:

Report on Request for Proposal (RFP) for security guard services at the Water Pollution Control Plant (WPCP) and adoption of a resolution authorizing the Director of Finance to:

1. Execute an agreement with First Alarm Security & Patrol, Inc. (Aptos, CA) for security guard services for an initial fourteen month term for the period February 1, 2010 to March 31, 2011, and a maximum compensation not to exceed \$225,139.
2. Execute amendments to the agreement to add and delete guard services as required subject to appropriation of funds.
3. Exercise two, one-year options to extend the agreement subject to annual appropriation of funds.

D. Informational Item – TPAC Item Previously Recommended for Approval

The following item was approved by the San Jose City Council on January 12, 2009.

1. Progress report highlighting activities since March 2009 on the Master Plan for the San Jose/Santa Clara Water Pollution Control Plant (Plant).

E. Informational Item – TPAC Item Previously Recommended for Approval

The following items were approved by the San Jose City Council on December 15, 2009.

1. Installation of Potable and Non-Potable Water Services and Mains: 2009-2010 project:
 - (a). Reject all bids for the Installation of Potable and Non-Potable Water Services and Mains: 2009-2010 project.
 - (b). Adopt a resolution authorizing the Director of Public Works to:
 - (i) Award the contract for the Installation of Potable and Non-Potable Water Services and Mains: 2009-2010 project to the lowest responsive and responsible bidder in an amount not to exceed \$726,000; and
 - (ii) Decide any timely bid protest(s), make the City's final determination as to the lowest responsive and responsible bidder, or to reject all bids and re-bid the project.

2. Approval of a Continuation Agreement with AEPC Group, LLC for consultant services for the preliminary design of the project entitled, "San José/Santa Clara Water Pollution Control Plant (Plant), Fiscal Year 2006-2007 Capital Improvement Program, Switchgear M5, Ring Bus, and Cable Replacement," to continue and extending the term of the agreement which expired on March 31, 2009 to June 30, 2010 at no additional cost to the City.
3. Report on bids and award of contract for the MCC H1, MCC H2, MCC J1, and MCC J2 Replacement Project to the lowest responsive bidder, Dynalectric Company, in the amount of \$1,637,295; and approval of a budget contingency of 15% contract amount, in the amount of \$245,595.

7. **MISCELLANEOUS**

- A. The next TPAC meeting will be Thursday, February 11, 2010, at 4:30 p.m. City Hall, Environmental Services, 10th Floor, Room 1047.

8. **OPEN FORUM**

9. **ADJOURNMENT**

NOTE: If you have any changes or questions, please contact Monica Perras, Environmental Services, 408-975-2515.

To request an accommodation or alternative format for City-sponsored meetings, events or printed materials, please call Monica Perras at (408) 975-2515 or (408) 294-9337 (TTY) as soon as possible, but at least three business days before the meeting/event.

Availability of Public Records. All public records relating to an open session item on this agenda, which are not exempt from disclosure pursuant to the California Public Records Act, that are distributed to a majority of the legislative body will be available for public inspection at San Jose City Hall, 200 East Santa Clara Street, 10th Floor, Environmental Services at the same time that the public records are distributed or made available to the legislative body.

DRAFT
MINUTES OF THE
SAN JOSÉ/SANTA CLARA
TREATMENT PLANT ADVISORY COMMITTEE
City Hall, Environmental Services, 10th Floor, Room 1047
Thursday, December 10, 2009 at 4:30 p.m.

1. ROLL CALL

Minutes of the Treatment Plant Advisory Committee convened this date at 4:30 p.m. Roll call was then taken, with the following members in attendance:

Committee members: Bob Livengood (Vice Chair), Kevin Moore, Patricia Mahan, Madison Nguyen, John Gatto, Nora Campos, Ken Yeager, Ed Shikada.

Staff present: Monica Perras, Dale Ihrke, Mansour Nasser, John Stufflebean, Mollie Dent, Kirsten Struve, Bhavani Yerrapotu, Jennifer Garnett, Cheryl Wessling.

Others present: Alan Kurotori, (City of Santa Clara), Steve Machida, (Cupertino Sanitary District), Kathleen Phalen (City of Milpitas), Robert Reid, (West Valley Sanitation District), Bob Wilson, (City of Santa Clara), David Wall (San José City Resident).

2. APPROVAL OF MINUTES

Minutes of November 12, 2009.

Motion by Committee member Gatto and second by Committee member Nguyen to accept the minutes of November 12, 2009. Committee Member Campos was not present.

3. UNFINISHED BUSINESS

- A. McCarthy Property: Discussion of Committee questions concerning history of purchase of McCarthy Property interest, potential liability related discontinuance of solar drying operation, prioritization of discontinuance of solar drying operation, and potential for shifting costs associated with that project to the developer or either to the developer or the homeowners over time, for a portion of the costs, including use of an assessment district formed on the McCarthy property to provide a funding source for the costs.

Motion by Committee Member Nguyen and second by Committee Member Gatto to defer Item 3.A to the February 11, 2010 Treatment Plant Advisory Committee meeting.

4. CORRESPONDENCE

5. REPORTS

- A. Open Purchase Orders Greater Than \$100,000

The attached monthly Procurement and Contract Activity Report summarizes the purchase and contracting of goods with an estimated value between \$100,000 and \$1 million and of services between \$100,000 and \$250,000.

Motion by Committee Member Gatto, seconded by Committee Member Moore to accept the report.

B. Tributary Agencies Available Plant Capacity – 2009

Motion by Committee Member Gatto, seconded by Committee Member Moore to accept the report.

6. **AGREEMENTS**

A. Technical Committee Recommendation (Handout)

Motion by Committee Member Yeager, seconded by Committee Member Moore to accept the Technical Committee Recommendation.

Committee Member Campos arrives

B. Agreements – TPAC Recommendation for Approval Requested

The following item is scheduled to be approved by the San Jose City Council on, January 12, 2010:

1. Progress report highlighting activities since March 2009 on the Master Plan for the San Jose/Santa Clara Water Pollution Control Plant (Plant).

Item 6.B.1 was approved unanimously.

C. Agreements – TPAC Recommendation for Approval Requested

The following items are scheduled to be approved by the San Jose City Council on December 15, 2009:

1. Installation of Potable and Non-Potable Water Services and Mains: 2009-2010 project:
 - (a). Reject all bids for the Installation of Potable and Non-Potable Water Services and Mains: 2009-2010 project.
 - (b). Adopt a resolution authorizing the Director of Public Works to:
 - (i) Award the contract for the Installation of Potable and Non-Potable Water Services and Mains: 2009-

2010 project to the lowest responsive and responsible bidder in an amount not to exceed \$726,000; and

- (ii) Decide any timely bid protest(s), make the City's final determination as to the lowest responsive and responsible bidder, or to reject all bids and re-bid the project.

2. Approval of a Continuation Agreement with AEPC Group, LLC for consultant services for the preliminary design of the project entitled, "San José/Santa Clara Water Pollution Control Plant (Plant), Fiscal Year 2006-2007 Capital Improvement Program, Switchgear M5, Ring Bus, and Cable Replacement," to continue and extending the term of the agreement which expired on March 31, 2009 to June 30, 2010 at no additional cost to the City.
3. Report on bids and award of contract for the MCC H1, MCC H2, MCC J1, and MCC J2 Replacement Project to the lowest responsive bidder, Dynalectric Company, in the amount of \$1,637,295; and approval of a budget contingency of 15% contract amount, in the amount of \$245,595.

Item 6.C.1 was approved unanimously.

D. Informational Items – TPAC Item Previously Recommended for Approval

The following items were approved by the San Jose City Council on November 17, 2009:

1. Adopt a resolution authorizing the City Manager to negotiate and execute the Sixth Amendment to the construction service agreement with City of Santa Clara for the South Bay Water Recycling Program, revising the approved project list, increasing the maximum amount payable by \$3,000,000 to a total maximum amount not to exceed \$30,600,000 and extending the term of the agreement by eighteen months to December 31, 2011.
2. Adopt the following Appropriation Ordinance and Funding Sources Resolution amendments in the San José-Santa Clara Treatment Plant Capital Fund:
 - a. Increase the appropriation to the Environmental Services Department for the Revised South Bay Action Plan – SBWR Extension by \$3,410,000; and
 - b. Decrease the Ending Fund Balance by \$3,410,000.
3. Award the purchase of office furniture to Western Contract Interiors (San Jose, CA) for a total amount not to exceed \$298,477, including delivery, assembly, installation and all applicable sales taxes, based upon a

previously awarded bid that contained additional quantity pricing, and authorize the Director of Finance to:

- a. Execute purchase orders as required to meet the Environmental Services Department Water Pollution Control Plant's (Plant) timeline for staff relocation to the Environmental Services Building located at 4245 Zanker Road; and
- b. Approve a contingency in the amount of \$29,848 for any unforeseen changes or requirements

Item 6.D.1-3 was approved unanimously.

E. Informational Item – TPAC Item Previously Recommended for Approval

The following items were approved by the San Jose City Council on December 1, 2009.

1. Adopt a resolution authorizing the City Manager to negotiate and execute the Sixth Amendment to the construction service agreement with City of Santa Clara for the South Bay Water Recycling Program, revising the approved project list, increasing the maximum amount payable by \$3,000,000 to a total maximum amount not to exceed \$30,600,000 and extending the term of the agreement by eighteen months to December 31, 2011.

Item 6.E.1 was approved unanimously.

7. MISCELLANEOUS

- A. The next TPAC meeting will be Thursday, January 14, 2010, at 4:30 p.m. City Hall, Environmental Services, 10th Floor, Room 1047.

8. PUBLIC COMMENT

David Wall commented on reclaimed water project and would like staff to work with him for additional information for January.

10. ADJOURNMENT

- A. The Treatment Plant Advisory Committee adjourned at 4:35 p.m.

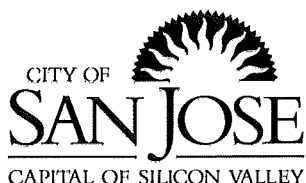
Chuck Reed, Chair
Treatment Plant Advisory Committee

City Manager's Contract Approval Summary
For Procurement and Contract Activity between \$100,000 and \$1 Million for Goods and \$100,000 and \$250,000 for Services

November 23, 2009 - December 23, 2009

Description of Contract Activity ¹	Fiscal Year	Req#/ RFP#	PO#	Vendor/Consultant	Original \$ Amount	Start Date	End Date	Additional \$ Amount	Total \$ Amount
Office Furniture	FY09-10	10767 & 68	74833	Western Contract Interiors	\$328,325				
PSC Industrial Outsourcing	FY09-10	11360		PSC Industrial Outsourcing	\$140,000				

¹ This report captures in process contract activity (Requisition Number or RFP Number) and completed contract activity (Purchase Order Number, Contract Term, and Contract Amount)



Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: John Stufflebean

SUBJECT: SEE BELOW

DATE: 01-05-10

Approved

Date

1/6/10

COUNCIL DISTRICT: Citywide

**SUBJECT: APPLICATION FOR STATE GRANT - BIOMETHANE FUEL
PRODUCTION FACILITY AT THE SAN JOSÉ / SANTA CLARA WATER
POLLUTION CONTROL PLANT**

RECOMMENDATION

Adopt a resolution authorizing the City Manager to submit a grant proposal to the California Energy Commission, Alternative and Renewable Fuel and Vehicle Technology Program, for up to \$10,000,000 for the development of a biomethane transportation fuel production facility on Water Pollution Control Plant lands, subject to the concurrence of the Treatment Plant Advisory Committee.

OUTCOME

Approval of this recommendation, subject to the concurrence of the Treatment Plant Advisory Committee, will authorize the City Manager to submit a grant application by the January 25, 2010 deadline, requesting funding to support development of renewable energy infrastructure. Development of a biomethane transportation fuel production facility and fueling infrastructure on Water Pollution Control Plant land would help the City to meet its Green Vision goals for reducing waste, generating renewable energy, converting fleet to use alternative fuels, and creating local green jobs.

BACKGROUND

The California Energy Commission (CEC) has established Alternative and Renewable Fuel and Vehicle Technology Program to provide grant funding to projects that develop and deploy alternative and renewable fuels and advanced transportation technologies to help attain the State's climate change policies. Projects eligible for funding include design, construction, and

operation of biomethane production facilities and projects that develop infrastructure to store, distribute and dispense renewable transportation fuels. The intent of this grant solicitation is to encourage the development of a new industry in California to produce renewable transportation fuels, expand the state's network for distribution of renewable fuels and develop commercialization of renewable fuel technology for medium and heavy duty vehicles in order to reduce greenhouse gas, reduce petroleum fuel demand, stimulate economic development, and reduce environmental impacts associated of the State's major waste sources. The grant requires match funding of 50% of total project costs, which can be in-kind services and assets. The application deadline is January 25, 2010.

ANALYSIS

Through the San José/ Santa Clara Water Pollution Control Plant (Plant) Master Plan processes, staff has determined that increases in energy production with solar and other renewable technologies will help the Plant achieve the goal of becoming energy self sufficient. Planning for several-energy related projects at the Plant is already underway including digester upgrades, a grease receiving station, optimization of the aeration process to reduce energy usage, advanced automation of the treatment processes, and installation of fuel cells. A biomethane plant located at the Plant could utilize regional waste feedstocks from the Bay Area such as food and yard waste to create methane gas, which can be converted to electrical power for vehicle use (charging stations) or vehicle fuel. Developing waste to energy technology infrastructure at the Plant which generates biomethane was included in the Council approved 2009 Green Vision Work Plan and identified as a priority project in the City Manager's Office American Recovery & Reinvestment Act informational memorandum to Council dated December 4, 2008.

Currently, large scale facilities that use digestion for food, yard trimmings, and fats, oils, and grease, to create biomethane are primarily located in Europe and Asia due to their higher population densities and conventional disposal costs. However, extensive research by Los Angeles City and County, San Francisco, Alameda County and other California local government agencies indicates that these facilities may now be technically and economic feasible in California. .

A local biomethane facility at the Plant could provide the following benefits to the City and Plant Tributary Agencies:

- Divert hard-to-recycle waste from landfills
- Generate renewable energy
- Generate revenue
- Reduce carbon impacts of organic wastes disposal
- Provide regional solutions for organic waste recycling; currently there are very limited recycling options for this waste in the Bay Area.
- Leverage private sector and State government resources for the development of facility
- Drive leadership as a center for technology innovation

Biomethane is a sustainable and renewable resource which can be used to produce both electricity and vehicle fuel. A biomethane production facility at the Plant would have other synergies with the Plant including the use of recycled water, potential for return of wastewater into the treatment system, potential use of Plant rail spur for soil amendments and fertilizers and potential use of surplus Plant infrastructure. In addition, fueling infrastructure could be utilized Plant and other City and/or private vehicles. Compressed biomethane is nearly identical to compressed natural gas (CNG). Biomethane can be used to fuel heavy-, medium-, and light-duty CNG vehicles, providing an inexpensive, domestic, and environmentally sustainable alternative to petroleum.

Providers of waste to energy facilities are looking for showcase sites in North America. Since the release of the City's Renewable Energy Request for Information in 2007, technology providers have continuously approached the City with energy infrastructure proposals. To accommodate the technology vendors wanting to partner with the City on this grant, and Request for Interest (RFI) solicitation was issued in early January 2010 to gauge the level of private sector interest and obtain information from firms interest in participating in development of a biomethane transportation fuel production facility and fueling infrastructure on Water Pollution Control Plant. Information received from the firms that respond to the RFI will be used to prepare the proposed City CEC grant submittal. If the City is selected for a grant award, staff proposes to conduct a competitive process among the firms that respond to the RFI and to bring forward a recommendation for environmental clearance, grant acceptance, and vendor selection for Council and Treatment Plant Advisory Committee consideration. Staff is familiar with technology vendors likely to respond to the RFI, and based on the information received to date, is confident of receiving a viable proposal.

This grant solicitation has a 50% matching funds requirement. The value of existing Plant infrastructure, such as digesters which are no longer needed for Plant operations and well as Plant lands used for the biomethane transportation fuel production facility and fueling infrastructure may be eligible for consideration toward the matching fund requirement. It is anticipated that significant private sector capital will also required however, as the initial estimates of a biomethane transportation fuel production facility and fueling infrastructure on Plant lands is \$26 million. Private firms have access to additional financing incentives, and involvement of a private firm would allow the City to leverage a variety of capital development resources.

EVALUATION AND FOLLOW-UP

This memorandum is scheduled to be considered by the Treatment Plant Advisory Committee on January 14, 2010. If the City is selected for a grant award, staff will bring forward a recommendation for environmental clearance, grant acceptance and vendor selection for Council and Treatment Plant Advisory Committee consideration. .

PUBLIC OUTREACH/INTEREST

This project does not meet any of the below Criteria, but this memorandum will be posted on the City's website for the January 12, 2010 Council agenda. This item is scheduled to be heard at the January 14, 2010, Treatment Plant Advisory Committee meeting.

- Criterion 1: Requires Council action on the use of public funds equal to \$1 million or greater. (Required: Website Posting)
- Criterion 2: Adoption of a new or revised policy that may have implications for public health, safety, quality of life, or financial/economic vitality of the City. (Required: E-mail and Website Posting)
- Criterion 3: Consideration of proposed changes to service delivery, programs, staffing that may have impacts to community services and have been identified staff, Council or a Community group that requires special outreach. (Required: E-mail, Website Posting, Community Meetings, Notice in appropriate newspapers)

COORDINATION

This memorandum was coordinated with the City Manager's Budget Office and the City Attorney.

CEQA

This application request is not a project. CEQA review will be completed prior to any project approval.

/s/

JOHN STUFFLEBEAN

Director, Environmental Services

For questions please contact Michele Young, Organics Program Manager, at 408-975-2519.



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Scott P. Johnson

SUBJECT: SEE BELOW

DATE: January 4, 2010

Approved

Date

1-7-09

SUBJECT: REPORT ON RFP FOR SECURITY GUARD SERVICES AT THE WATER POLLUTION CONTROL PLANT

RECOMMENDATION

Report on Request for Proposal (RFP) for security guard services at the Water Pollution Control Plant (WPCP) and adoption of a resolution authorizing the Director of Finance to:

1. Execute an agreement with First Alarm Security & Patrol, Inc. (Aptos, CA) for security guard services for an initial fourteen month term for the period February 1, 2010 to March 31, 2011, and a maximum compensation not to exceed \$225,139.
2. Execute amendments to the agreement to add and delete guard services as required subject to appropriation of funds.
3. Exercise two, one-year options to extend the agreement subject to annual appropriation of funds.

OUTCOME

To provide security guard services to protect WPCP facilities and to ensure the safety and security of the public and City employees.

BACKGROUND

On October 1, 2008, acting on behalf of the City pursuant to authority granted by City Council on September 16, 2008, the Director of Finance entered into a one year Agreement with First Alarm Security & Patrol to provide security guard services at the Water Pollution Control Plant (Plant).

At the time of award, the City's Living Wage Policy did not apply at the Plant. The City's original Living Wage Policy exempted contracts which involved programs where the City shared

management authority with other jurisdictions unless all participating agencies had a living wage policy. Since the participating jurisdictions in the operations of the San Jose/Santa Clara Water Pollution Control Plant did not have living wage policies, living wage requirements were not applied to service contracts entered into at the Plant.

On June 23, 2009 (Item 2.28), Council amended the Living Wage Policy to make it applicable to contracts at the Plant.

In September, 2009, staff issued a Request for Proposal (RFP) for Security Guard Services at the Plant inclusive of the City's newly amended Living Wage Policy.

On December 1, 2009, Council approved a four month extension to the existing agreement with First Alarm Security and Patrol to allow staff sufficient time to complete the aforementioned RFP process. The extension period ends on January 31, 2010.

ANALYSIS

On September 15, 2009, the Finance Department released a Request for Proposal (RFP) for security services at the Plant inclusive of the City's Living Wage Policy. One thousand one hundred nine companies were notified of the bid requirement, 58 companies viewed the RFP, 34 companies attended the mandatory pre-proposal conference, and 15 responsive proposals were received by the October 6, 2009 deadline as outlined in Table 1 below.

Minimum Qualifications (Pass/Fail): The initial evaluation was a pass/fail assessment of each proposal to ensure that all required forms and documentation were complete and minimum qualifications were met. Purchasing staff determined that one proposal from Preferred Response Security Service was non-responsive because they failed to demonstrate that they met the minimum qualification requirement of being in business for ten years.

Evaluation Team: A three member evaluation team was named with representatives from the Environmental Services Department (WPCP). Proposals were scored by each team member independently.

Proposal Evaluation Criteria:

The evaluation team evaluated and scored the written proposals against the criteria and weights defined in the RFP and summarized in the table below.

- **Technical/Contractor Experience (55%):** The technical responses and contractor experience was given 55 points or 55% weighting criteria in the evaluation process.
- **Cost (30%):** Cost proposals were disclosed to the evaluation team after the completion of the technical evaluation so as not to inadvertently influence technical scores.

- **Environmental Stewardship (5%):** In alignment with the City’s Environmentally Preferable Procurement Policy (EP3), Proposers were required to specifically address how their proposals would support the goals and objectives of the City’s EP3 program.
- **Local and Small Business Preference (10%):** In accordance with City policy, ten percent of the total evaluation points were reserved for local and small business preference. Four proposers requested and received the requested Local Business Preference. The preference was not a factor in the final award recommendation.

Table 1

	TECHNICAL/ EXPERIENCE (55 PTS)	ENV. STEWARDSHIP (5 PTS)	COST (30 PTS)	LBE (5 PTS)	SBE (5 PTS)	TOTAL SCORE (100 PTS)
First Alarm Security & Patrol (Aptos, CA)	54	5	28	5	0	92
National Security Industries (San Jose, CA)	51	4	29	5	0	89
Securitas (Walnut Creek, CA)	50	2	29	5	0	86
ABC Security (Oakland, CA)	54	5	25	0	0	84
Platinum Security (Oakland, CA)	48	4	29	0	0	81
Security Code 3 (San Jose, CA)	46	4	30	0	0	80
Aviation Safeguards (Santa Clara, CA)	45	2	26	5	0	78
Andrew’s International (Santa Clara, CA)	44	3	29	0	0	76
American Guard Services (Oakland, CA)	48	0	25	0	0	73
U.S. Security Associates (Huntington Beach, CA)	46	0	27	0	0	73
Silicon Valley Security & Patrol (San Jose, CA)	39	4	25	5	0	73
McCoy’s Patrol Service (San Francisco, CA)	41	3	27	0	0	71
National Public Safety (El Cajon, CA)	35	2	28	0	0	65
VAL Security (Vallejo, CA)	15	2	0	0	0	17

Protest Process: The RFP process included a ten-day protest period that commenced on November 16, 2009 and ended on November 26, 2009. No protests were received.

Summary: Staff recommends award to First Alarm Security & Patrol, Inc. The evaluation team deemed First Alarm's proposal to be the best value based on the criteria listed in the RFP. First Alarm's proposal met or exceeded all of the RFP specifications, provided the most detailed and comprehensive proposal, and demonstrated a superior understanding of the City's requirements as summarized below:

- First Alarm has a substantial presence in the security guard industry in California's central coast region.
- First Alarm has another Agreement with the City for security services with other City departments including General Services, Department of Transportation, Airport, Parks, Recreation & Neighborhood Services and Office of Economic Development. They have done an excellent job performing security services under this Agreement.
- First Alarm uses fuel efficient vehicles.
- First Alarm submitted a superior resource plan demonstrating how they will cover supervision, guard services, guard breaks, vacations, and illness.

Summary of Agreement: This agreement establishes a fixed monthly fee and allows the Plant to add and delete services as required. The initial term of 14 months is designed to make this Agreement coterminous with the expiration date of the security services agreement for other City departments. Assuming that the two one year option periods are exercised, this will give the City greater flexibility to issue one RFP serving the needs of all City Departments.

EVALUATION AND FOLLOW-UP

This memorandum will not require any further follow-up from staff.

POLICY ALTERNATIVES

Not applicable.

PUBLIC OUTREACH/INTEREST

- Criterion 1:** Requires Council action on the use of public funds equal to \$1 million or greater. **(Required: Website Posting)**
- Criterion 2:** Adoption of a new or revised policy that may have implications for public health, safety, quality of life, or financial/economic vitality of the City. **(Required: E-mail and Website Posting)**
- Criterion 3:** Consideration of proposed changes to service delivery, programs, staffing that may have impacts to community services and have been identified by staff, Council or a Community group that requires special outreach. **(Required: E-mail, Website Posting, Community Meetings, Notice in appropriate newspapers)**

While this requirement does not meet any of the above criteria, this memorandum is posted on the City's website for the January 26, 2009 Council agenda.

COORDINATION

This memorandum was coordinated with the Environmental Services, the Public Works/Office of Equality Assurance, the City Manager's Budget Office, and the City Attorney's Office. On January 14, 2010, the Treatment Plant Advisory Committee is scheduled to review this recommendation.

FISCAL/POLICY ALIGNMENT

This Council item is consistent with Council approved Budget Strategy Memo General Principle #2, "We must focus on protecting our vital core City services."

COST SUMMARY/IMPLICATIONS

1. AMOUNT OF RECOMMENDATION/COST OF PROJECT:

Not to Exceed Amount for Initial Term of Contract	\$225,139
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2. SOURCE OF FUNDING: San José/Santa Clara Treatment Plant Operating Fund
3. FISCAL IMPACT: Funding is available in departmental annual appropriations.

BUDGET REFERENCE

HONORABLE MAYOR AND CITY COUNCIL

January 4, 2010


Subject: Report on Agreement for WPCP Security Guard Services

Page 6

Fund #	Appn #	Appn. Name	Total Appn	Amt. for Contract	2009-2010 Operating Budget Page	Operating Budget Action (Date, Ord. No.,RC#)
513	0762	ESD Non-Personal Equipment	\$36,802,642	\$225,139	VII-78	10/20/2009, Ord. No. 28653, RC911800

CEQA

Not a project.


SCOTT P. JOHNSON
Director, Finance

For questions please contact Mark Giovannetti, Purchasing Officer, at (408) 535-7052.