

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.

November 12, 2009

Room T-1047

1. ROLL CALL

2. MINUTES

A. Minutes of October 8, 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 items are scheduled to be 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

C. Action Item – TPAC Recommendation for Approval Requested

The following item is scheduled to be approved by the San Jose City Council on December 1, 2009:

1. Adoption of a resolution authorizing the Director of Finance to execute a continuation of and first amendment to the agreement between the City of San Jose and First Alarm Security & Patrol to extend the initial twelve (12) month agreement term for security guard services an additional four (4) months through January 31, 2010, and to increase compensation by \$60,000 for a not-to-exceed amount of \$248,130.

D. Informational Item – TPAC Item Previously Recommended for Approval

1. Nomination and election of TPAC Chair for the term of October 8, 2009 through June 10, 2010.

E. Informational Item – TPAC Item Previously Recommended for Approval

The following items were approved by the San Jose City Council on October 6, 2009.

1. Adoption of a resolution authorizing the Director of Environmental Services to:
 - a. Award the Contract for the Arzino Ranch Demolition Project to the lowest responsive bidder in an amount not to exceed \$506,000, and approve a ten percent construction contingency, subject to the concurrence of the Treatment Plant Advisory Committee; and

- b. Hear and decide any timely bid protest(s), to make the City's final determination as to lowest responsive and responsible bidder, or to reject all bids and re-bid the project.
2. Adoption of a resolution approving the Arzino Ranch Demolition Project and incorporating environmental mitigation measures as set forth in the Mitigation Monitoring and Reporting Program (MMRP) for the project.

F. Informational Item – TPAC Item Previously Recommended for Approval

The following items were approved by the San Jose City Council on October 20, 2009.

1. Adopt a resolution authorizing the City Manager to negotiate and execute an agreement with the Santa Clara Valley Water District (District) for cost sharing associated with water conservation programs in FY 2009-2010, under which the City will receive an amount not to exceed \$205,000 and the City will pay the District an amount not to exceed \$500,000 for a net cost to the City of \$295,000.
2. Approval of an amendment to the agreement with Mobile Modular Management Corporation to:
 - a. Extend the term of the agreement by six months to July 12, 2010, and
 - b. Increase the total maximum amount of compensation from \$98,856.93 to \$122,322.69
3. Adopt a resolution:
 - a. Authorizing the Director of Environmental Services to execute a first amendment to the New Construction of Various Equipment 2008-2009 Contract with Anderson Pacific Engineering and Construction Inc. to:
 1. Change the contract term from a one year term with the option of two additional one year terms to a two year contract term.
 2. Modify the compensation to enable the payment of the total contract amount up to \$1,450,930.00 over a two year term instead of paying the total contract amount over a one year term with two optional one year terms

7. MISCELLANEOUS

- A. The next TPAC meeting will be Thursday, December 10, 2009, 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, October 8, 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: Chuck Reed (Chair), Bob Livengood (Vice Chair), Kevin Moore, Patricia Mahan, Madison Nguyen, John Gatto, Nora Campos.

Staff present: Monica Perras, Dale Ihrke, Bhavani Yerrapotu, Mansour Nasser, John Stufflebean, Mollie Dent, John Newby, Matt Morley, Kirsten Struve, Beth Gonzales.

Others present: Dave Sykes, Ben Yurman-Glaser, Lauren Livengood (City of San Jose) Alan Kurotori, (City of Santa Clara), Steve Machida, (Cupertino Sanitary District), Kathleen Phalen (City of Milpitas), Jerry Strangis-(Strangis Property), Joey McCarthy(McCarthy Ranch), David Wall (San José City Resident).

2. APPROVAL OF MINUTES

Minutes of June 11, 2009.

Motion by Committee member Gatto and Second by Committee member Livengood to accept the minutes of June 11, 2009. Committee Member Moore was not present.

Committee Member Moore arrives.

3. UNFINISHED BUSINESS

A. McCarthy Property Status (Verbal Update)

Verbal update was accepted with direction to staff to answer the following questions at the December TPAC meeting:

1. What rights did the Plant purchase and what was the purchase price? What would the rights be worth now if the Plant were to agree to release the rights?
2. What is the potential for monetary liability to homeowners for damages if development is allowed to occur before the solar drying operation is discontinued?
3. What is the impact on the water recycling project that we are trying to get done, if we try to move forward now with discontinuing the solar drying operation at the same time? Does there need to be a prioritization, or can we do both? What are the potential rate increases associated with doing these projects separately and at the same time?

4. Could an assessment district be formed on the McCarthy property, as Mayor Reed asked earlier, to provide a funding source for all or a portion of the costs associated with discontinuing the solar drying operation? Is there some way to shift costs associated with that project to the developer or either to the developer or the homeowners over time, for a portion of the cost, or must all of the costs be paid for through rates?

Verbal update was accepted by unanimous vote.

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.

Item was accepted by unanimous vote.

6. **AGREEMENTS**

- A. **Technical Committee Recommendation (Handout)**

Item was accepted by unanimous vote.

- B. **Nomination and election of TPAC Chair for the term of October 8, 2009 through June 10, 2010.**

Re-Nomination of Committee Member Reed and Vice Chair Livengood was accepted by unanimous vote.

- C. **Agreements – TPAC Recommendation for Approval Requested**

The following item is scheduled to be approved by the San Jose City Council on October 6, 2009:

1. Adoption of a resolution authorizing the Director of Environmental Services to:
 - a. Award the Contract for the Arzino Ranch Demolition Project to the lowest responsive bidder in an amount not to exceed \$506,000, and approve a ten percent construction contingency, subject to the concurrence of the Treatment Plant Advisory Committee; and
 - b. Hear and decide any timely bid protest(s), to make the City's final determination as to lowest responsive and responsible bidder, or to reject all bids and re-bid the project.

2. Adoption of a resolution approving the Arzino Ranch Demolition Project and incorporating environmental mitigation measures as set forth in the Mitigation Monitoring and Reporting Program (MMRP) for the project.

Item was accepted by unanimous vote.

D. Agreements – TPAC Recommendation for Approval Requested

The following items are scheduled to be approved by the San Jose City Council on October 20, 2009:

1. Adopt a resolution authorizing the City Manager to negotiate and execute an agreement with the Santa Clara Valley Water District (District) for cost sharing associated with water conservation programs in FY 2009-2010, under which the City will receive an amount not to exceed \$205,000 and the City will pay the District an amount not to exceed \$500,000 for a net cost to the City of \$295,000.
2. Approval of an amendment to the agreement with Mobile Modular Management Corporation to:
 - a. Extend the term of the agreement by six months to July 12, 2010, and Increase the total maximum amount of compensation from \$98,856.93 to \$122,322.69
3. Adopt a resolution:
 - a. Authorizing the Director of Environmental Services to execute a first amendment to the New Construction of Various Equipment 2008-2009 Contract with Anderson Pacific Engineering and Construction Inc. to:
 1. Change the contract term from a one year term with the option of two additional one year terms to a two year contract term.
 2. Modify the compensation to enable the payment of the total contract amount up to \$1,450,930.00 over a two year term instead of paying the total contract amount over a one year term with two optional one year terms

Item was accepted by unanimous vote.

E. Informational Items – TPAC Item Previously Recommended for Approval

The following items were approved by the San Jose City Council on June 23, 2009:

1. Proposed Capital Improvement Program – 2010-2014
2. Proposed Operating and Maintenance Budget – 2009-2010

3. Adopt a resolution authorizing the City Manager to negotiate and execute an amendment to the Agreement with International Disposal Corporation of California, Inc. to:
 - a. Provide for the disposal of grease, grit, and screening, and the beneficial reuse of biosolids from the Water Pollution Control Plant, at an estimated annual expenditure of \$1,614,520 for Fiscal Year 2009-2010.
 - b. Reflect changes to the residential and commercial solid waste management program including, but not limited to, enabling the exclusive commercial franchisees to use the City's disposal capacity at the Newby Island Landfill at the City's rate, clarifying the compensation for baled residential recycling residue, providing for the processing of certain waste generated from the performance of municipal services, and redefining the basis for reimbursement of regulatory costs.
4. Direction to staff to explore feasibility, options and terms and conditions for an agreement that would allow International Disposal Corporation of California, Inc., to deliver leachate from Newby Island Sanitary Landfill to the San José/Santa Clara Water Pollution Control Plant and for the delivery of recycled water from the Plant to Newby using existing pipelines.

Items 6.C.1, 2 & 3 (a,b) & 4 were recommended for approval by unanimous vote.

5. Adoption of a resolution authorizing the Director of Public Works to negotiate and execute Contract Change Order No. 6 with Zolman Construction and Development, Inc. for the Environmental Services Building Repair Project in an amount not to exceed \$325,000 to replace the existing damaged vinyl floor in the laboratory area of the building with ceramic floor tile and to install new, upgraded data/voice cabling and a security system.
6. Increase the project funding for the ESB Repairs Project by \$325,000, and contingency authorization from 15% to 24% for a total project contingency of \$865,000.
7. Increase the project delivery funding for the ESB Repairs Project by \$50,000 for a total project delivery cost of \$1,094,000.

Items 6.C.5, 6 & 7 were accepted as late submissions and recommended for approval by unanimous vote.

F. Informational Item – TPAC Item Previously Recommended for Approval

The following items were approved by the San Jose City Council on May 19, 2009.

1. Approve an ordinance amending Chapter 15.14 of Title 15 of the San Jose Municipal Code to limit the discharge of dental amalgam into the sanitary sewer system and to require the installation of dental amalgam separators in certain dental offices.
2. Approve an ordinance amending Chapter 15.14 of Title 15 of the San Jose Municipal Code to revise provisions related to the discharge of grease into the sanitary sewer system, to establish requirements for food service establishments related to installation or upgrade of grease control devices, and to establish maintenance and recordkeeping requirements for grease control devices.
3. Approve the first amendment to the agreement with David J. Powers & Associates for environmental consultant services for various Environmental Services Department (ESD) projects by increasing the total compensation by \$250,000, from \$250,000 to an amount not to exceed \$500,000.

7. **MISCELLANEOUS**

- A. The next TPAC meeting will be Thursday, November 12, 2009, at 4:30 p.m. City Hall, Environmental Services, 10th Floor, Room 1047.

8. **PUBLIC COMMENT**

David Wall commented on restructure of the sewer service and town homes and MFD needing a flat rate.

10. **ADJOURNMENT**

- A. The Treatment Plant Advisory Committee adjourned at 5:15 p.m.

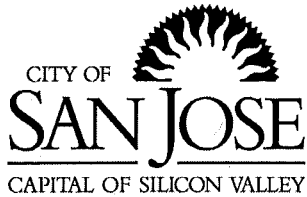
Chuck Reed, Chair
Treatment Plant Advisory Committee

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

Sept 23, 2009 - Oct 23, 2009

Description of Contract Activity ¹	Fiscal Year	Req#/ RFP#	PO#	Vendor/Consultant	Original \$ Amount	Start Date	End Date	Additional \$ Amount	Total \$ Amount
LIQ Sodium Hypochlorite	FY09-10	09727	43761	Olin Corporation	\$500,000				
400 TONS O F IND'L GRD 19% AQUA AMMONIA	FY09-10	09554	43665	Hills Bros Corp	\$150,000				
Bulk Liquid Chlorine	FY09-10	09555	43818	Olin Corporation	\$450,000				
25% Sodium Bisulfite	FY09-10	09728	43728	Basic Chemical Solution	\$100,000				
Fuel & Petroleum	FY09-10	09645	43411	Western States Oil Co	\$275,000				
Fuel & Petroleum	FY09-10	09650	43413	Valley Oil Company	\$150,000				
Test Repair/ Parts Equipment	FY09-10	09684	43915	Vincent Electric	\$120,000				
Paintings and Sand Blasting Project	FY09-10	10283	44007	Jeffco Painting & Coating, Inc	\$200,000				
Fuel & Petroleum	FY09-10	09679	43415	Coast Oil Company	\$140,000				
Office Furniture	FY09-10	10767		Western Contract Interiors	\$462,000				
Office Furniture	FY09-10	10768		Western Contract Interiors	\$132,880				

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
Jennifer Maguire

SUBJECT: SEE BELOW

DATE: 10-26-09

Approved

Date

11-2-09

SUBJECT: SIXTH AMENDMENT TO AGREEMENT WITH THE CITY OF SANTA CLARA FOR CONSTRUCTION SERVICES FOR SOUTH BAY WATER RECYCLING PROGRAM

RECOMMENDATION

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.

OUTCOME

Approval of the Sixth Amendment to the construction services agreement with the City of Santa Clara (Santa Clara) for South Bay Water Recycling (SBWR) will allow additional extension projects to be designed and built in Santa Clara. The approval of the appropriation actions will provide sufficient matching funds for an anticipated American Recovery and Reinvestment Act of 2009 (ARRA) grant from the U.S. Bureau of Reclamation, which in turn would provide for additional extension projects.

BACKGROUND

On May 24, 1995 the City of San José entered into an agreement with the City of Santa Clara (Santa Clara) in the amount of \$12.6 million for design and construction services to extend the recycled water system within the boundaries of Santa Clara. The City of San José and Santa Clara subsequently executed five amendments to the original agreement increasing the total compensation to \$27.6 million expanding the recycled water pipeline extensions to be constructed by Santa Clara, and providing funding for administration of a grant program to convert customers from existing potable water connections to the recycled water system.

Following successful completion and startup of the first phase of water recycling facilities the City of San José and the tributary agencies of the San José/Santa Clara Water Pollution Control Plant authorized the expenditure of up to \$100 million for the development and implementation of South Bay Water Recycling Phase 2. Of that amount, approximately \$83 million in Phase 2 facility improvements were built between 1998 and 2008, leaving approximately \$17 million in Phase 2 assets still remaining to be built.

ANALYSIS***Sixth Amendment to Santa Clara Agreement***

Since execution of the Fifth Amendment to the Santa Clara Agreement in March 2008, design work has been completed on two projects identified in that Amendment, and other recycled water expansions within Santa Clara have been identified given projected customer demand. As a result, there are now three Santa Clara projects that are scheduled to have environmental clearance from Santa Clara and be ready to proceed with final design and construction by the time that this memorandum is considered by the San José City Council. In addition, two other Santa Clara projects have been identified given potential customer demand, but further design work is needed in order to pursue environmental clearance.

The projects and the estimated design and construction costs associated with each are as follows:

Pipeline Extension	Description	Total Cost (\$)
Santa Clara Central Park (SC-6)	Design and construction of approx. 12,000 LF of 8-16 in. pipe to serve 115 acre-feet per year (AFY) to 52-acre Santa Clara Central Park and adjacent customers.	\$4,200,000
Santa Clara Industrial 1 (SC-9)	Design and construction of approx. 3000 LF of 8-12-inch pipe to serve 300 AFY for cooling and irrigation at data centers and other sites.	750,000
Santa Clara Industrial 2 (SC-8)	Design and construction of approx. 6500 LF of 12-in pipe to serve 140 AFY to Santa Clara industrial sites for cooling and irrigation.	1,900,000
Santa Clara Industrial 3A (SC-3)	Design of approx. 14,000 LF of 12-inch pipe to serve 500 AFY to industrial sites for cooling and irrigation.	250,000
Santa Clara Industrial 3B	Design of approx. 8340 LF of 12-in dia. pipe to serve 500 AFY to industrial sites for cooling and irrigation.	250,000
	Customer retrofits in Santa Clara	550,000
	Total cost	\$7,900,000
Available Under the current construction service agreement with the City of Santa Clara		4,900,000
Contract Amendment Required		\$3,000,000

It should be noted that the total cost for design and construction of pipeline extensions Industrial 3A and 3B is \$3.3 million and \$2.0 million, respectively. The funding required for the construction of the Industrial 3A extension (\$3.3 million) is available within the Revised South Bay Action Plan – SBWR Extension appropriation. The funding for the construction of the Industrial 3B extension (\$2.0 million) has not yet been identified, but may come from savings in current projects, additional federal funding, or require the use of fund balance. Staff will return to Council seeking appropriation actions for this project if savings are not identified.

For the projects listed in the table on the previous page, \$4.9 million is available in the Revised South Bay Action Plan – SBWR Extension appropriation for the existing construction service agreement with City of Santa Clara. An additional \$3.0 million is needed to cover the cost of additional work, including the design and construction of Santa Clara Central Park, Industrial 1, and Industrial 2; and design of Industrial 3A and Industrial 3B (\$500,000 total); and up to \$550,000 in retrofits to serve new customers in Santa Clara. The Sixth Amendment also revises the Agreement to require conformance with various provisions of the American Recovery and Reinvestment Act of 2009 (ARRA) funding program, to enable San José to continue to pursue federal funding for reimbursement of these project's costs.

The proposed Santa Clara Extensions include more than eight miles of recycled water pipe ranging between eight inches and sixteen inches in diameter. These pipelines will annually serve an additional 1,400 acre-feet of recycled water to irrigate Santa Clara Central Park and provide cooling water for data centers and other industrial facilities. This represents a significant increase in the amount of recycled water delivered by the SBWR system, reducing summer discharge flows from the San Jose/Santa Clara Water Pollution Control Plant by up to 3 million gallons per day (mgd) and generating up to \$250,000 per year in additional revenues under the current rate structure.

Appropriations Actions

Since the inception of the SBWR project, a total of \$31.7 million in federal Title XVI grants has been received through a Cooperative Agreement with the US Bureau of Reclamation for reimbursement of Phase 1 recycled water improvements. This represents a federal cost share to date for Phase 1 of approximately 23% of total eligible costs. In April 2009, San José applied for an ARRA grant from the US Bureau of Reclamation to fund additional extensions to the South Bay Water Recycling system, including some pipelines that had been identified for construction within the existing Santa Clara Agreement as well as some new pipelines. On July 1, 2009 the US Bureau of Reclamation notified San José of its intention to award up to \$6.46 million in ARRA funding to reimburse the City for construction of additional water reuse facilities. The final grant agreement has not yet been executed.

On July 23, 2009 the City submitted the requisite forms to initiate a new Cooperative Agreement with the US Bureau of Reclamation to apply the anticipated \$6.46 million award, and a \$8.33 million SBWR match towards the construction of a total of \$14.8 million of projects (see table below). This would bring the federal cost share of these projects to 44%. Of the SBWR match, \$4.9 million is encumbered by the existing Agreement with the City of Santa Clara for In-Kind Services and is available in the current South Bay Action Plan – SBWR Extension appropriation.

10-26-09

Subject: Sixth Amendment To The Agreement With The City Of Santa Clara

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The remaining \$3,410,000 required to meet SBWR's match under the proposed Cooperative Agreement is recommended for appropriation to the Environmental Services Department for the Revised South Bay Action Plan – SBWR Extension project for this purpose. A corresponding decrease to Ending Fund Balance would fund this recommended appropriation action.

Unbudgeted grant revenue of \$3.1 million was received in 2008-2009 from the U.S. Bureau of Reclamation for SBWR projects. This unanticipated revenue has resulted in a higher than expected ending fund balance, and offsets most of the recommended appropriation action.

The table below describes the \$14.8 million in projects proposed to be funded under the Cooperative Agreement.:

Project Name	Description	Cost (\$M)
Projects in San José		
San José Airport Extension	Approx. 4500 LF of 12-inch pipe to serve 75 AFY to Norman E. Mineta-San José International Airport.	\$1.7
SBWR Laterals and Garden Improvements	Approx. 1500 LF of 6-12-inch pipe to serve 100 AFY to a community garden, civic buildings and access points in SBWR service area.	\$1.0
San José School Extensions	Approx. 1800 LF of 6-inch pipe to serve 75 AFY to four schools in central and south San Jose.	\$1.1
San Jose State University Improvements (SJSU)	Approx. 500 LF of 6-8-inch pipe to serve up to 150 AFY to SJSU campus for irrigation and indoor use.	\$0.8
Projects in Santa Clara*		
Santa Clara Central Park (SC-6)	Approx. 12,000 LF of 8-16-inch pipe to serve 115 AFY to 52-acre Santa Clara Central Park and adjacent customers.	\$4.2
Santa Clara Industrial 1	Approx. 3000 LF of 8-12-inch pipe to serve 300 AFY for cooling and irrigation at data centers and other industrial sites.	\$0.8
Santa Clara Industrial 2	Approx. 6500 LF of 12-inch pipe to serve 140 AFY to Santa Clara industrial sites for cooling and irrigation.	\$1.9
Santa Clara Industrial 3A	Approx. 14,000 LF of 12-inch diameter pipe to serve 500 AFY to Santa Clara industrial sites for cooling and irrigation.	\$3.3
Total Cost of Projects for Proposed Contract (\$M)		14.8
Proposed Federal ARRA Share (\$M)		6.5
Proposed Local Share – already encumbered and available (\$M)		4.9
Proposed Local Share – recommended for appropriation (\$M)		3.4
Total Proposed Funding for Projects		\$14.8

* The projects in Santa Clara to be funded by this Cooperative Agreement are included in the construction service agreement with City of Santa Clara for the South Bay Water Recycling

Program that is discussed in the "*Sixth Amendment to Santa Clara Agreement*" section of this memorandum.

PUBLIC OUTEACH

- ✓ **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)**

During the summer and fall of 2000 the cities of San José, Santa Clara, and Milpitas held public meetings on the local use of recycled water. Also, representatives of various stakeholder groups (e.g. Sierra Club, League of Women Voters, Silicon Valley Chamber of Commerce) met regularly in 1998 and 1999 to create the present plans for extension of the recycled water systems. In addition, staff members from the cities of San José (San José Municipal Water), Santa Clara and Milpitas, and San José Water Company have attended monthly meetings to review South Bay Water Recycling planning and operations.

COORDINATION

This memo has been coordinated with the City's Attorney's office, Human Resources Risk Management, and the City of Santa Clara. This memo is scheduled to be heard at the November 12, 2009, Treatment Plant Advisory Committee (TPAC) meeting.

FISCAL/POLICY ALIGNMENT

The tasks under this agreement support the Council's Green Vision Goal #6 by increasing the capacity of the South Bay Water Recycling system to "Recycle or beneficially reuse 100 percent of our wastewater (100 million gallons per day)."

COST SUMMARY/IMPLICATIONS

1. AMOUNT OF RECOMMENDATION FOR CONTRACT AMENDMENT:	\$3,000,000
Project Delivery	\$1,340,000
Construction	6,560,000
Total Current Year Costs	\$7,900,000
Prior Year Expenditures	22,700,000
Total Project Costs	\$30,600,000

2. SOURCE OF FUNDING: 512 – San José/Santa Clara Treatment Plant Capital Fund

3. OPERATING COST:

Approval of this Agreement is not expected to significantly increase South Bay Water Recycling annual operating costs, since new pressure-tested pipelines do not normally require much maintenance, and construction of all the proposed Santa Clara extensions will comprise only about eight miles of additional pipe increasing the total length of the pipeline network by less than 8%. While delivery of an additional 1500 acre-feet of recycled water per year amounts to an increase in usage of about 15%, this will correspond to an increase in operating costs of only about \$50,000 per year, primarily for additional pumping costs.

BUDGET REFERENCE

Fund #	Appn #	Appn. Name	RC #	Total Appn.	Amt. for agreement with City of Santa Clara	Recommended Appropriation Action	Adopted Capital Budget Page	Last Budget Action (Date, Ord. No.)
Total Funding For Agreement					\$3,000,000			
Funding Available								
512	6589	Revised SBAP-SBWR Extension	062873	\$14,364,000	\$3,000,000*		V - 150	6/23/2009 Ord. No. 28593
Recommended Budget Actions								
512	8999	Ending Fund Balance	TBD	\$3,410,000**		\$3,410,000	V - 140	6/23/2009 Ord. No. 28593
Total Funding for Agreements					\$3,000,000	\$3,410,000		

* The \$3,000,000 for the Agreement with the City of Santa Clara is part of the \$14,770,000 package of projects under the proposed Cooperative Agreement with the US Bureau of Reclamation.

** The Current Ending Fund Balance is \$24,143,907. Funding of \$3,410,000 is recommended to be reallocated to the Revised SBAP – SBWR Extension appropriation as part of this memorandum. This would bring the current Ending Fund Balance to \$20,733,907, and the current Revised SBAP – SBWR Extension appropriation to \$17,774,000.

HONORABLE MAYOR AND CITY COUNCIL

10-26-09

Subject: Sixth Amendment To The Agreement With The City Of Santa Clara

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CEQA

Resolution No. 64667 (PP#91-04-090) and Addenda thereto scheduled for action by City of Santa Clara prior to action by San José City Council under the following reference numbers:

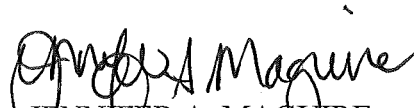
Santa Clara Central Park: PLN 2009-07751; CEQ 2009-01085.

Santa Clara Industrial 1: PLN 2009-07749, CEQ 2009-01083

Santa Clara Industrial 2: PLN 2009-07616, CEQ 2009-01080



JOHN STUFFLEBEAN
Director, Environmental Services



JENNIFER A. MACUIRE
Budget Director

For questions please contact Mansour Nasser, Deputy Director, at (408) 277-2558.



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Scott P. Johnson

SUBJECT: SEE BELOW

DATE: October 26, 2009

Approved

Date

11-2-09

COUNCIL DISTRICT: City-Wide

SUBJECT: PURCHASE OF OFFICE FURNITURE FOR THE WATER POLLUTION CONTROL PLANT

RECOMMENDATION

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:

1. 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
2. Approve a contingency in the amount of \$29,848 for any unforeseen changes or requirements.

OUTCOME

Furnish the Plant with free-standing and systems (modular) furniture for staff.

BACKGROUND

The Environmental Services Building (ESB) is a 38,000 square-foot, two-story office building with an attached single story laboratory located at 4245 Zanker Road within the San Jose/Santa Clara Water Pollution Control Plant. The ESB's original construction was completed and the building occupied in 1994. In 2001, water intrusion and the possibility of mold growth resulted in the office portion of the building being vacated. In 2007 Allana Buick & Bers, Inc. (ABB) was retained to provide architectural and engineering services to investigate sources of water



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Subject: Purchase of Office Furniture for the Water Pollution Control Plant

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infiltration into the building and identify the extent of microbial activity, and to provide a clean and watertight restored building with a Leadership in Energy and Environmental Design (LEED) Silver certification. In 2008 Zolman Construction & Development, Inc. was awarded the Construction contract to complete the restoration phase of the ESB. The restoration is due to be completed in November 2009. The furniture that was removed from the building in 2001 has been redeployed in various locations throughout the Plant and is not available for re-installation.

ANALYSIS

On April 24, 2009, the Finance Department released a Request for Bid (RFB) to purchase office furniture for the new Police Substation. The RFB included the option to purchase additional quantities at the same bid price through September 30, 2010. The purchase order was awarded to Western Contract Interiors as the lowest responsive bidder, in the amount of \$909,702 per the Director of Finance's authority under Council Resolution #64240.

On September 22, 2009 (item 2.5), the City Council approved the purchase of office furniture in the amount of \$384,150 for the Airport by leveraging the Police Substation bid pricing. Similarly, Staff has determined that it is in the best interest of the City to take advantage of the provision to purchase additional quantities at the same bid price that was based on a significantly larger quantity of furniture.

This recommended amount of \$298,477 will include furniture for nine private offices, 60 workstations with all accessories and the additional purchase of free standing furniture which includes 80 shelves and furniture for a lab area housing ten people.

This purchase is subject to the Prevailing Wage policy. The Contractor has agreed that with respect to the Plant purchase, they will comply with the applicable wage requirement which will be incorporated in the Purchase Order.

Green Vision: The purchase of Hermann Miller furniture does not directly affect the City's Green Vision Goals. Nevertheless, the purchase of Hermann Miller furniture is considered to be a "green" purchase because of the company's positive impact to the environment by reducing waste and encouraging sustainability. Since the 1950's one of Hermann Miller's corporate values has been to be "a good corporate neighbor by being a good steward of the environment." As a result, they have earned the title of "Green Patriot." Many of their products are designed to be ecologically sound, and many are good examples of eco-design techniques for achieving sustainability include saving materials, energy efficient manufacturing, recycle content, and recyclable content, including design for disassembly.

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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)**

This item does not meet the Criteria above, but this Council Memorandum will be posted on the November 17, 2009 Council Agenda.

COORDINATION

This memorandum has been coordinated with the Environmental Services Department, City Manager's Budget Office, Office of Equality Assurance, and the City Attorney's Office. This item is scheduled to be heard at the November 12, 2009 Treatment Plant Advisory Committee (TPAC) meeting.

FISCAL/POLICY ALIGNMENT

This action is consistent with the following General Budget Principles "We must focus on protecting our vital core city services for both the short- and long-term".

COST SUMMARY/IMPLICATIONS

Not Applicable.



HONORABLE MAYOR AND CITY COUNCIL

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BUDGET REFERENCE

The table below identifies the fund and appropriation proposed to fund the agreement recommended as part of this memo.

Fund #	Appn #	Appn. Name	Total Appn	Amt. for Contract	2009-2010 Adopted Capital Budget Page	Last Budget Action (Date, Ord. No.)
512	6507	Environmental Services Building Repair	\$1,966,000	\$298,477	VI-144	6/23/2009, 28593

CEQA

Not a project.


SCOTT P. JOHNSON
Director, Finance

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





Memorandum

**TO: HONORABLE MAYOR AND
CITY COUNCIL**

FROM: Scott P. Johnson

SUBJECT: SEE BELOW

DATE: November 9, 2009

Approved

Date

11-2-09

COUNCIL DISTRICT:

**SUBJECT: CONTINUATION OF AND FIRST AMENDMENT TO THE AGREEMENT
FOR SECURITY GUARD SERVICES AT THE WATER POLLUTION CONTROL
PLANT**

RECOMMENDATION

Adoption of a resolution authorizing the Director of Finance to execute a continuation of and first amendment to the agreement between the City of San Jose and First Alarm Security & Patrol to extend the initial twelve (12) month agreement term for security guard services an additional four (4) months through January 31, 2010, and to increase compensation by \$60,000 for a not-to-exceed amount of \$248,130.

OUTCOME

Continuous security guard services coverage at the Water Pollution Control Plant to ensure safety and security to employees and the public.

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 contract award, the City's Living Wage Policy did not apply at the Plant because the then current Living Wage Policy (adopted 11/17/98 and revised 6/8/99) 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 Plant did not have living wage policies, living wage requirements were not applied to service contracts entered into for the Plant.

In approving the agreement with First Alarm Security & Patrol for a one year term ending September 30, 2009, Council directed staff to work with Treatment Plant Advisory Committee (TPAC) partner cities to seek approval to broaden the City's Living Wage Policy to include the Plant and, if applicable, rebid the security guard contract with a living wage requirement.

On June 23, 2009 (Item 2.28), Council approved an amendment to the City of San Jose Living Wage Policy to make it applicable to contracts solicited for and entered into for the Plant.

ANALYSIS

In August, 2009 Finance published a Request for Proposal (RFP) for security guard services at the Plant that requires the proposed contract to conform with the City's Living Wage Policy. Fourteen proposals were received by the October 6, 2009 deadline and are currently under evaluation. Staff anticipates making a final recommendation to Council for a new agreement in January, 2010.

The agreement with First Alarm Security & Patrol expired as of September 30, 2009, and now must be continued and extended to maintain security guard services at the Plant until a new contract can be awarded pursuant to the RFP. Compensation to First Alarm Security & Patrol will be increased by \$60,000 for a not-to-exceed amount of \$248,130, and during the four month continuation and extension period, First Alarm Security & Patrol will be required to pay living wages and otherwise comply with all applicable requirements of the City's Living Wage Policy as amended by Council on June 23, 2009.

POLICY ALTERNATIVES

Not Applicable.

PUBLIC OUTREACH/INTEREST

- Criteria 1:** Requires Council action on the use of public funds equal to \$1 million or greater. **(Required: Website Posting)**
- Criteria 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)**
- Criteria 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 recommendation does not meet any of the criteria listed above, this memorandum will be posted on the City's website for the December 1, 2009 Council Agenda.

COORDINATION

This memorandum has been coordinated with the Environmental Services Department, the City Attorney's Office, the Office of Equality Assurance, and the City Manager's Budget Office.

This recommendation is scheduled to be presented to the Treatment Plant Advisory Committee (TPAC) on November 12, 2009.

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

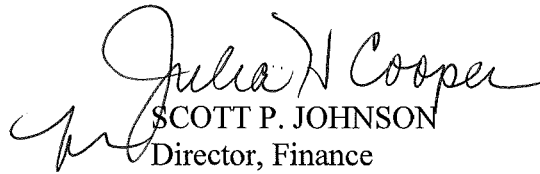
Not applicable.

BUDGET REFERENCE

Fund	Appn	Appn. Name:	RC #	Total Appn:	Amt. for Contract	2009-2010 Adopted Budget Page:	Last Budget Action (Date, Ord. No):
513	0762	ESD Non-Pers Equipment	911800	\$36,207.625	\$60,000	VII-78	6/23/09 #28593

CEQA

Not a Project.


SCOTT P. JOHNSON
Director, Finance

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