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# Memorandum

**TO:** HONORABLE MAYOR &  
CITY COUNCIL

**FROM:** Debra Figone

**SUBJECT:** City Manager's Weekly Report

**DATE:** February 19, 2009

## INFORMATION

Following are the key activities to be highlighted this week:

***Re-negotiation of Vendor Contracts***—In January 2009, City staff initiated a re-negotiation program for all open purchase orders (PO) eligible for renewal. As of January 2010 after 13 months of negotiations, 177 vendors have agreed to price concessions on 225 separate purchase orders, for a total of \$690,000 in annual cost savings. Instead of automatically granting options to renew with associated price increases, typically allowed under the terms of the PO, vendors were contacted and asked for price concessions without compromising service or delivery.

In addition to this ongoing effort, staff is in the process of contacting approximately 180 vendors that have large contracts with the City to negotiate additional concessions (pricing, terms, etc.). This initiative has already resulted in approximately \$300,000 in cost savings either through re-negotiation or re-bid. For more information, contact Mark Giovannetti, Purchasing Division Manager at 535-7052.

***Neighboring Cities Leverage City's Buying Power***—Under the terms of the City's re-negotiated agreement for office supplies with OfficeMax which was completed in 2009, a "piggyback" clause was included allowing other public agencies to purchase office supplies per the terms of the City's agreement. The City receives a 2% annual volume rebate, including the sales volume of participating agencies. For 2009, in addition to the City's volume rebate, annual sales for the cities of Milpitas, Mountain View, and Sunnyvale exceeded \$400,000, resulting in additional rebates to the City. For more information, contact Mark Giovannetti, Purchasing Division Manager at 535-7052.

***Frontier Airlines Will Leave SJC in May***—On February 16, Frontier Airlines notified the Airport that it will pull its flights out of SJC on May 14. Currently Frontier operates two daily flights to Denver that account for approximately 80,000 passengers per year. Frontier indicated to Airport staff that its high operational costs in San José contributed to its decision to leave. Frontier's lease at the Airport runs through June 30, 2012, and Airport staff has put Frontier on notice that the City expects Frontier to meet all of its financial obligations under the lease through the end of the term. Although Frontier was scheduled to relocate from Terminal C to Terminal A in March, in light of this decision it will remain in Terminal C until it ceases service here in May. The Airport anticipates that the other San José carriers with Denver service, United and Southwest, have capacity on existing flights to serve Frontier passengers and that SJC should retain a high proportion of them. For more information, contact Bill Sherry, Director of Aviation, at 501-7600.

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***San Jose's Family Camp to Remain Closed Through Summer***—The City of San Jose Family Camp is recommended to remain closed for the 2010 season due to serious structural safety hazards with the Camp's dining hall. The United States Forest Service (USFS) owns the parkland, and their staff concurs with the City's decision for closure and is working with City staff to investigate options to re-open the Camp for the 2011 season. These options will be presented at the March 2 Council Meeting. City staff will use the one-year closure to complete the Family Camp Master Plan, which is expected to address future program and revenue opportunities that can be realized with strategic renovation and upgrade of facilities at the camp. Staff will also address additional infrastructure projects, including potential upgrades to the potable water system, tree maintenance and selected upgrades to roadways and tent platforms. The Family Camp Program provides San José residents with an affordable camping experience in the Stanislaus National Forest. Family Camp is generally open from May to mid-October. During spring and fall, the pre- and post-seasons, the camp is host to community organizations such as YMCA, Scouts, schools, and special interest groups. On a typical day, Family Camp houses and serves food to approximately 250 people from May through October. For more information, contact Mona Favorite-Hill, Communications Manager, at 793-5589.

***Outreach to Local Vietnamese Businesses and Community on Reusable Bags***—On February 10, a joint outreach effort among the Office of Councilmember Kansen Chu (District 4), and California Waste Solutions (CWS), one of the City's residential recycling collection haulers, serving over 75% of the City, held a press event targeting the Vietnamese community to encourage consumers to shop with reusable bags at grocery and retail stores. Businesses were also encouraged to provide input in the development of a potential City ordinance that would prohibit the use of single-use carryout bags. The press event was held at the Hai Thanh Super Market on McLaughlin and Story Road. In attendance were reporters representing nine Vietnamese language news outlets. During the event, free reusable bags were given to shoppers, and staff canvassed 20 retail businesses surrounding the shopping center providing information in Vietnamese about the potential ordinance. On February 13 and 14, Councilmember Chu, CWS and Environmental Services shared a prominent booth space at the Tet Festival at the Santa Clara County Fairgrounds. Reusable bags were given out to attendees after taking a pledge to shop with a reusable bag. For more information, contact Arleen Arimura, Environmental Services Communications Manager at 975-2557.

***Joint City/County Domestic Violence Meeting***—On February 5, Councilmembers Campos and Constant along with representatives from the City's Family/Domestic Violence Advisory Board met with Commissioners from the County of Santa Clara Domestic Violence Council for a Joint Domestic Violence Meeting. Other attendees included representatives from local domestic violence advocacy organizations, the Santa Clara County District Attorney's Office, San José State University, various community based organizations and the City's Housing Department. The purpose of the joint meeting was to consider how the two coordinating councils could best collaborate in an effort to maximize effectiveness in preventing and addressing domestic violence. For more information, contact Eve Castellanos, Domestic Violence Prevention Coordinator, at 535-8101.

***Notice of Contracts Executed by Council Appointees***—This report, also known as the quarterly "Sunshine" report, is currently available for review on the City's intranet site. This report summarizes all contract activity greater than \$100,000 executed by Council Appointees or designee's including the City Manager, City Attorney, City Clerk, Director of Finance, and City

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Auditor. The reports will be archived by fiscal quarter and posted on the City's internet under "Bidline". For more information, contact Mark Giovannetti, Purchasing Division Manager at 535-7052.

***Santa Teresa Branch Library Opening Attracts Over 5,000***—On February 6, enthusiastic residents gathered for the opening ceremony of the Santa Teresa Branch Library. By day's end, the latest expanded branch library had clocked a record-breaking 5,062 visits and just over 13,000 items checked out. Before its closure for expansion in 2007, Santa Teresa was the most heavily used branch in the system. Although the new Edenvale Branch serves some of the area originally covered by Santa Teresa, the opening day turnout suggests it will again be one of the busiest, if not the busiest branch in the system. A planned Physicians Brown Bag series on a variety of health-related topics marks the resumption of collaboration between Santa Teresa and the nearby Kaiser Permanente San José Medical Center. For information, visit the branch web page at [http://www.sjlibrary.org/about/locations/santa\\_teresa/index.htm](http://www.sjlibrary.org/about/locations/santa_teresa/index.htm) or call 808-3068.

***Safe Summer Initiative Grant Application Released on WebGrants***—On February 15, the City's Safe Summer Initiative Grant (SSIG) application was released. The SSIG Program is a component of the Mayor's Gang Prevention Task Force (MGPTF) that provides grants ranging from \$1,000 to \$15,000 during the summer months to agencies providing safe and fun recreational activities to San José youth ages 6-18. The Safe Summer Initiative Grant (SSIG) is the first grant-making program to announce its availability using the City's new Webgrants on-line application and will be the first to accept electronic applications using this system. For more information, contact Matt Shelton, Senior Analyst, at 793-5541.

***San José's Environmental Services Department (ESD) Awarded Two ARRA State Energy Program (SEP) Grants***—A consortium of Bay Area Counties and Cities, including San José, led by CaliforniaFIRST, was recently awarded approximately \$16.5 million to buy down the interest rate on initial bond sales that fund property owner loans for solar installation, and to offset start-up fees for the 14 participating counties and their associated cities. The grant supports the pilot phase of CaliforniaFirst, which will allow San José property owners to voluntarily finance energy improvements on their homes or commercial buildings, repaying the funds on their property tax bill over 20 years. In addition to this grant the same consortium, in this case lead by Association of Bay Area Governments (ABAG), was recently awarded \$10 million for its Bay Area Retrofit Program designed to accelerate energy efficiency retrofits through a comprehensive residential retrofit program. The Residential Retrofit grant will also augment the Silicon Valley Energy Watch program, adding ~\$1.5M to the countywide residential energy efficiency program. For more information, contact Mary Ellen Dick, Manager, Office of Sustainability/Environmental Services, at 535-8555.

***Highlights from the 2009 Supplier Survey Results***—In partnership with the City's Small Business Commission, City staff developed and published a comprehensive online Supplier Survey that was distributed to over 2,200 companies. Results for the entire survey will soon be posted on the Purchasing internet site under "Bidline." Survey highlights include:

- Over 500 responses (~ 25% response rate); of these 65% were local respondents
- Approximately 75% rated CSJ solicitations equal or better than neighboring cities/agencies.

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- Approximately 75% of the respondents rated CSJ's bid information and staff responsiveness as "satisfied" or better.
- Virtually 100% of the participants have access to the internet and 90% prefer e-mail/web postings for notification of solicitation announcements.
- For 92% of respondents, the City's bond requirements have not prevented suppliers from bidding on construction projects.

For more information, contact Mark Giovannetti, Purchasing Division Manager at 535-7052.

**Graphic Novel Contest**—A recent Mercury News article revealed the "*Graphic Novel's Growing Appeal*" (p1B, January 31, 2010). Youth Services librarians have long been aware of the fact due to increased demand on the Library's collection. Last year's graphic novel contest for teens has been expanded this year to offer entry levels for children and adults. The contest is co-sponsored by Hijinx Comics with additional sponsorship from SLG Publishing, Tokyopop and Japanese Culture Group. Each level offers gift certificates for first, second and third place. Winners will be included in a limited edition print run that may be requested for borrowing through the library catalog. Entries must be submitted by 6 p.m. on Saturday, April 10. For more information, including guidelines, visit [www.sjlibrary.org/graphicnovel.htm](http://www.sjlibrary.org/graphicnovel.htm), contact your neighborhood branch, or call 808-3030.

**San José Ranks First in Nation for Teaching Bike Safety to Kids**—The Alliance for Biking and Walking ranked San José first in the nation for providing bicycle education to children, according to a recent survey of the 50 largest U.S. cities. According to their report "*Bicycling & Walking in the U.S. – 2010 Benchmarking Report*," one in eight of the City's youth receive bike safety education through the Department of Transportation's (DOT) Street Smarts School Safety Education Program. The program teaches bicycle and pedestrian safety to more than 23,000 elementary and middle school students each year. In addition, the program distributes an estimated 3,000 helmets annually. For more information, contact Linda Crabill Byrne, Community Relations Manager, at 975-3238.

**Schurra's Fine Confections Opens as a New Airport Concession**—On February 18, Schurra's Fine Confections, a San José family business that has been producing handmade candies, chocolates, peanut brittle and toffee since 1912, opened a new retail concession at the Airport. Schurra's is an example of the strong local participation in the Airport's new concession program approved by Council in 2008. The new store is located just north of the checkpoint in Terminal A. Nearly one-third of the new concessions are now in place, and the remaining shops and restaurants are on schedule for installation in both Terminal A and Terminal B over the next several months in time for the opening of the new terminal in June. For more information, contact Bill Sherry, Director of Aviation, at 501-7600.

### **Upcoming Meetings & Events**

**California League Wheelchair Basketball Tournament**—Saturday, February 20, and Sunday, February 21, from 8:00 a.m. – 6:00 p.m. at Camden Community Center, 3369 Union Ave. For more information, contact Lee Williamson at 369-6438.

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***Independent Police Auditor (IPA) Recruitment Community Outreach Meeting***—Thursday, February 25, Roosevelt Community Center, 901 E. Santa Clara St. from 6:00 p.m. – 7:30 p.m. For more information, contact Mark Danaj, Human Resources Director, at 975-1475.

***5<sup>th</sup> Annual Santa "Claws" Crab Feed***—Saturday, February 27, from 6:00 p.m.-10:00 p.m. at Camden Community Center, 3369 Union Ave. Proceeds support the San Jose Holiday Parade, the largest live televised community event in San Jose and one of the Top 25 Parades in the United States. To purchase tickets online or for more information, please visit [http://www.sanjoseholidayparade.com/crab\\_feed.htm](http://www.sanjoseholidayparade.com/crab_feed.htm) or contact Brian Clampitt at 794-6203.

***2010 Vietnamese Spring Festival and Parade***—Sunday, February 28, from 10:00 a.m. – 5:00 p.m., at Plaza de Cesar Chavez. For more information, contact Loann Nguyen at 202-2672.

***Digital Bookmobile Demonstrates the Ease of Using the Library's Digital Media***—Friday, March 19, 10 a.m. – 4 p.m. at the Camino Verde Parking Lot on the Kaiser Permanente San José Medical Center campus across the street from the Santa Teresa Branch Library (located at 290 International Circle). The free event is co-sponsored by the San José Public Library and Kaiser Permanente. For information, call 808-3068.

***Grand Re-Opening of the "New" Happy Hollow Park and Zoo***—Saturday, March 20, 9:30 a.m. at Happy Hollow Park and Zoo, 1300 Senter Rd. Ceremony begins at 9:30 a.m.; gates open at 10:00 a.m. For more information, please contact Suzanne Wolf at 794-6406 or [www.happyhollowparkandzoo.org](http://www.happyhollowparkandzoo.org). For more information on the Grand Opening Ceremonies, please contact Ed Bautista at 794-6201.



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