



Memorandum

**TO: HONORABLE MAYOR AND
CITY COUNCIL**

FROM: Scott P. Johnson
James R. Helmer

SUBJECT: SEE BELOW

DATE: November 20, 2006

Approved

Ray Winter

Date

11/25/06

COUNCIL DISTRICT: 3

**SUBJECT: APPROVE THE FIRST AMENDMENT TO THE AGREEMENT FOR
TRANSIT MALL MAINTENANCE BETWEEN THE CITY OF SAN JOSE
AND FULL SERVICE MAINTENANCE, INC, dba UNIVERSAL
MAINTENANCE**

RECOMMENDATION

Approve a resolution authorizing the Director of Finance to execute the first amendment revising the scope of services and increasing compensation by \$285,041 from \$554,959 to \$840,000 with Full Service Maintenance, Inc. (Campbell, CA), dba Universal Maintenance (Universal Maintenance).

OUTCOME

Approving the contract amendment for the Transit Mall Maintenance Service will provide a cleaner, more attractive Downtown by maintaining the service levels established by Department of Transportation for Downtown cleaning.

BACKGROUND

On June 24, 2003, the City of San Jose entered in an agreement with Full Service Maintenance, Inc. for Transit Mall maintenance with the option to extend for four (4) additional one-year terms. This agreement has one additional option to extend in June 2007 contingent on the appropriation of funds.

Prior to February 2006, the Downtown cleaning area was limited to three locations or 16 city blocks. They were identified as the Transit Mall, SoFA, and San Pedro Square areas. The services performed in these areas included trash removal and blight abatement, sidewalk

November 20, 2006

Subject: First Amendment to the Agreement with Full Service Maintenance dba Universal Maintenance

Page 2

cleaning using vacuum and scrubber machines, coupled with minimal power washing services. The service level was approximately 650 hrs per month of labor (Mall Attendants), and 40 hours per month of power washing in all of the areas combined. This approach to cleaning presented DOT with a limited and reactive program to cleaning and resulted in uncleanly conditions throughout Downtown

On February 14, 2006, the City Council and the Redevelopment Agency Board approved the Downtown Cleaning Actions and Strategies, which included a series of short, mid, and long-term plans to improve the cleanliness of Downtown. Immediate steps were taken to increase funding and deliver additional cleaning services through June 2006 as part of the short-term plan. The mid-term plan was designed to bridge the time period between July 2006 and 2009 when one or more long-term, permanent funding and service delivery strategies could be implemented. As part of the mid-term plan, the City Council and the Redevelopment Agency Board approved one-time funding in Fiscal Year 2006-2007 to continue providing higher cleaning services in Downtown.

By July 2006, the Downtown cleaning area had expanded beyond the Transit Mall, SoFA and San Pedro Square areas to include approximately 58 additional Downtown blocks. The services that are being performed in these areas include general cleanup activities such as the removal of litter, debris, gum, and minor stains from the sidewalks; public litter module cleaning and emptying; blight abatement activities such as removal of visual distractions; and more intense sidewalk cleaning, using vacuum, scrubber, and power washing machines. The total service level of all areas is approximately 1,386 hrs per month of labor (Mall Attendants) and 346 hours per month of power washing. During peak usage such as special events, DOT adds additional labor to accommodate the influx of patrons to the downtown. This approach to cleaning presents the DOT with a very detailed and comprehensive program for cleaning the downtown area.

It is anticipated that additional one-time budget augmentations will be requested for Fiscal Year 2007-2008 to continue implementing the mid-term plan. City and Agency staffs are working with various stakeholders to further develop long-term strategies that could potentially go into effect as early as 2008. These strategies include the development of a Downtown Property-Based Business Improvement District (PBID) and the integrated commercial garbage collection and cleaning program, currently called the Clean and Green Concept.

ANALYSIS

Staff recommends a contract amendment to support the expanded areas and the upgraded services required for the extended Downtown area. This action is consistent with the Downtown Cleaning Actions and Strategies as discussed above. In order to fulfill the mid-term plan, DOT requests an amendment to the service agreement to continue Downtown cleaning services through the end of this fiscal year. With the approval of additional one-time funding for Fiscal Year 2007-2008, the option to extend the agreement for a fourth and final year in July 2007

would likely be implemented versus re-soliciting the contract due to the expansion of the Downtown cleaning area. As the viability of the long-term strategies become clearer in 2007, staff will decide if it is necessary to pursue a new service agreement for Downtown cleaning beginning in July 2008 reflecting the needs for upcoming years.

The contractor has met the requirements as stipulated by the contract and their performance has been excellent in all areas, including responsiveness, service and coordination with Staff. The Current contractor is prepared to service the additional areas and the additional services.

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 contract amendment does not fall within the public outreach criteria, this memorandum will be available on the City's website for the December 5, 2006 Council Agenda.

COORDINATION

This memorandum has been coordinated with the City Attorney's Office, and the City Manager's Budget Office.

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."

November 20, 2006

Subject: First Amendment to the Agreement with Full Service Maintenance dba Universal Maintenance

Page 4

COST IMPLICATIONS

Not applicable.

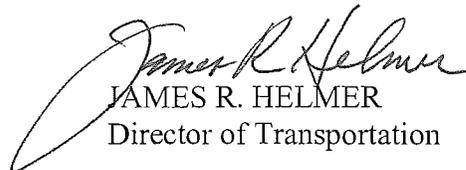
BUDGET REFERENCE

Fund #	Appn. #	Appn. Name	RC #	Total Appn.	Amt. for Contract	2006-2007 Adopted Operating Budget Page*	Last Budget Action (Date, Ord. No.)
001	0512	<u>DOT Non Personnel Equipment</u>	001-51-194600	\$13,787,947	\$840,000.00	VIII-122	N/A

CEQA

Not a Project.


SCOTT P. JOHNSON
Finance, Director


JAMES R. HELMER
Director of Transportation

For questions, please contact Walter C. Rossmann, Chief Purchasing Officer, at (408) 535-7051.