



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Katy Allen
John Stufflebean

SUBJECT: SEE BELOW

DATE: 06-01-09

Approved

Date

6/8/09

COUNCIL DISTRICT: 3

SNI AREA: Five Wounds
Brookwood Terrace

SUBJECT: SAN JOSE ENVIRONMENTAL INNOVATION CENTER PHASE I IMPROVEMENTS

RECOMMENDATION

Report on bids and take appropriate action based on the evaluation of bids for the San Jose Environmental Innovation Center Phase 1 Improvements.

OUTCOME

Approval of this construction contract will allow the San Jose Environmental Innovation Center Phase 1 to proceed. Approval of a ten percent contingency will provide funding for unanticipated work necessary for the completion of the construction of this project.

BACKGROUND

The County Household Hazardous Waste (HHW) program has been serving County residents for more than 15 years. State law and City regulations prohibit the disposal of HHW through regular garbage and recycling service and through the sanitary sewer system. The City's sole permanent drop off facility located on 10th Street was closed in November 2006 to accommodate the expansion of the Central Services Yard. The loss of this facility placed a significant burden on San Jose residents and small businesses who want to dispose of their HHW in a legal and environmentally responsible manner. Currently, the public must drive to Sunnyvale or San Martin, or wait for infrequent temporary events organized by the County to dispose of HHW legally. The San Jose Environmental Innovation Center Phase 1 Improvements project will enable the County to re-establish its HHW program in San Jose and it will serve as the principal drop off site for all County residents. The Las Plumas Phase I site improvements were further detailed in the approved February 24, 2009 Council memo titled "Adoption of a Resolution to

Authorize Appropriation of Funds for the Construction of the Las Plumas Household Hazardous Waste Drop Off Facility.”

The Engineers Estimate for the Phase I Improvements is \$2,960,000. Construction to begin August 2009 with completion in Summer 2010.

ANALYSIS

A supplemental memo will be provided after bids opened on May 21, 2009 are evaluated.

EVALUATION AND FOLLOW-UP

Approval of this recommendation will enable the project to move forward into construction. Construction is scheduled for ten months and anticipated completion is Summer 2010. At this time, no other issue needs to be followed up with Council.

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 meets criteria 1: Requires Council action on the use of public funds equal to \$1 million or greater.

To solicit contractors, this project was listed on the City’s Internet Bid Line and advertised in the *San José Post Record*. Bid packages for all Department of Public Works construction projects are routinely provided to a standard list of various contractor organizations, builder’s exchanges and disadvantaged business organizations, including United Minority Business Enterprises and the San José Minority Business Development Center.

This placeholder award memo will be posted on the City’s website for the June 23, 2009 Council Agenda, the supplemental memo will also be posted on line during the week of June 8, 2009.

COORDINATION

This proposed project and memorandum have been coordinated with the Departments of Transportation, Planning, Building and Code Enforcement, Fire, the City Attorney's Office and the City Manager's Budget Office.

FISCAL/POLICY ALIGNMENT

This project is consistent with the Council approved Budget Strategy Economic Recovery section in that it will spur construction spending in our local economy. This project supports Green Vision Goal No.5 and the Urban Environmental Accords Actions No. 4, 6, 7, 9 and 21. The project will also play a major role in meeting the requirements of the robust pollution prevention plan under the City's Storm Water Permit. Finally, proceeding with the construction of this facility expeditiously will allow the City to take advantage of the current construction market, which could mitigate costs, and create temporary construction jobs to help dampen the effects of the current economic downturn.

COST SUMMARY/IMPLICATIONS

1. AMOUNT OF RECOMMENDATION/COST OF PROJECT: \$2,960,000

Construction	\$2,960,000
Project Delivery	924,335
Contingency	296,000
TOTAL PROJECT COSTS	\$4,180,335
Prior Year Expenditures	139,907 *
REMAINING PROJECT COSTS	\$4,040,428

* A total of \$139,907 was expended in FY 2006-07 and FY 2007-08 for project delivery costs including environmental and engineer consultant services, state and federal regulatory permits, survey, and design development.

2. COST ELEMENTS OF CONTRACT:

3. SOURCE OF FUNDING: 423 – Integrated Waste Management Fund

4. OPERATING COSTS: An on-site Senior Maintenance Worker and \$100,000 in non-personal funds for the maintenance of the Las Plumas site were approved by Council in the 2007-2008 Adopted Operating Budget (IWM Fund). Maintaining and staffing the Las Plumas facility beginning in July 2007 was a requirement in the EIR approved by Council in June 2007 to mitigate the risk of illegal dumping, vandalism, theft, and blight at the site. Part of this facility is currently used to stage the City's Public Litter Container maintenance program and to warehouse supplies and equipment for the City's special

event recycling program. No additional operating costs above those covered by the \$100,000 base budget for operating expenses are anticipated when the HHW facility construction is completed for the first phase of the project. In addition, the current operating costs will be partially offset by lease revenue of \$53,200 per year the City expects to receive from the County for the County's use of the facility.

BUDGET REFERENCE

The table below identifies the fund and appropriations proposed to fund the contract(s) recommended as part of this memo and remaining project costs, including project delivery, construction, and contingency costs.

Fund #	Appn #	Appn. Name	RC #	Total Appn.	Amt. for Contract	2008-09 Adopted Budget Page	Last Budget Action (Date, Ord. No.)
Remaining Project Costs				\$4,040,428			
Current Funding Available							
423	3628	Household Hazardous Waste Las Plumas Facility	009784	\$4,188,492	\$2,960,000	XI-47	02/24/2009 Ord. No. 28502
Total Funding for Project				\$4,188,492			

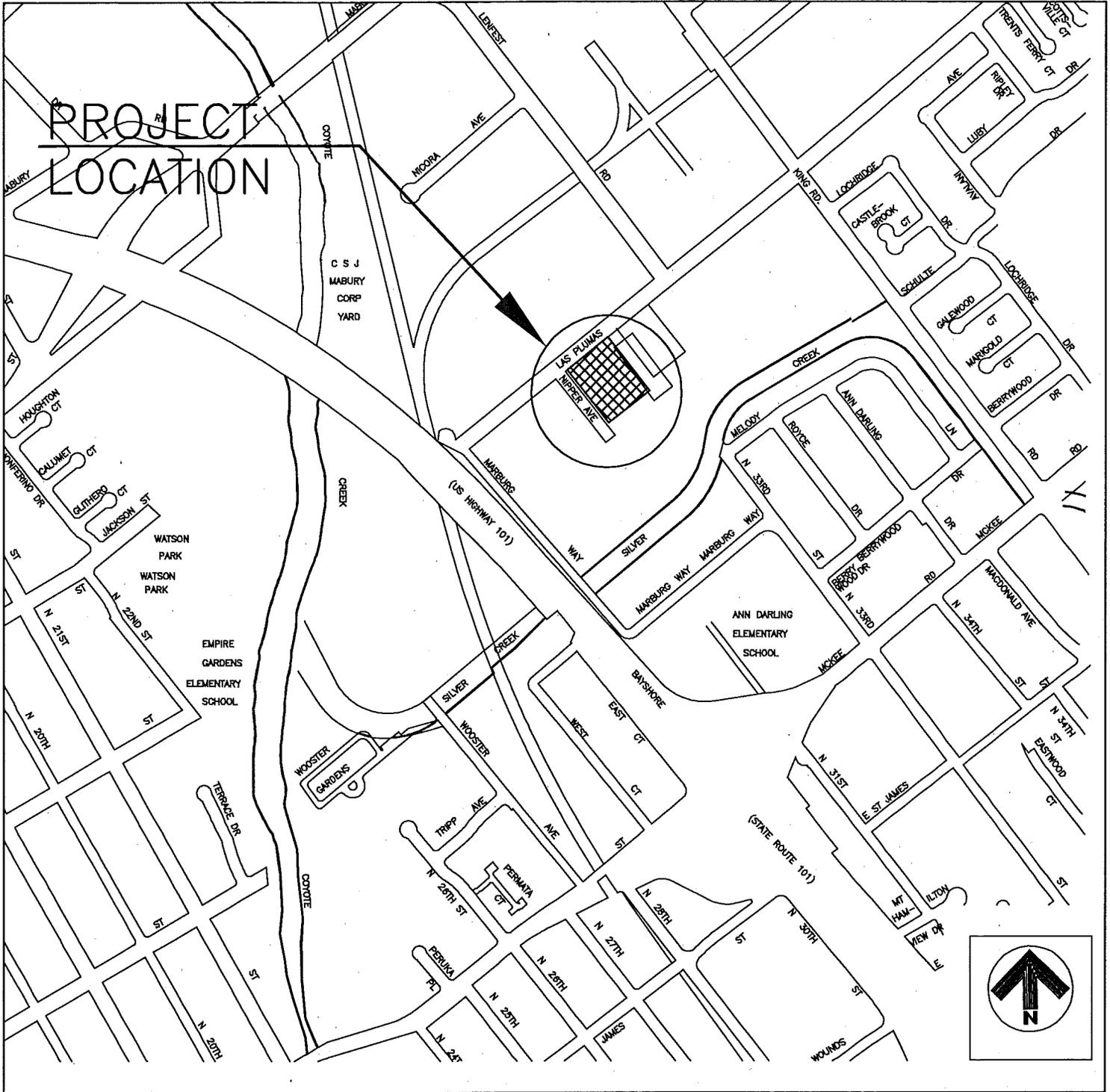
CEQA

CEQA: EIR (PP#06-100) and Resolution No.73929 certified by the San Jose Planning Commission on June 11, 2007, and approved by City Council on June 26, 2007, respectively.


 KATY ALLEN
 Director, Public Works Department


 JOHN STUFFLEBEAN
 Director, Environmental Services Department

For questions please contact DAVID SYKES, ASSISTANT DIRECTOR, PUBLIC WORKS DEPARTMENT, at 408-535-8300.



LOCATION MAP

NOT TO SCALE