



COUNCIL AGENDA: 10-20-09
ITEM: 2.9

Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: John Stufflebean
Peter Jensen

SUBJECT: SEE BELOW

DATE: 09-28-09

Approved

Date

10-2-09

COUNCIL DISTRICT: City-wide

SUBJECT: APPROVAL OF AN AMMENDMENT TO EXTEND TRAILER LEASE AT THE WATER POLLUTION CONTROL PLANT

RECOMMENDATION

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

OUTCOME

Approval of the amendment to the agreement with Mobile Modular Management Corporation will allow Environmental Services Department (ESD) staff to continue occupying existing office spaces located in a trailer being leased from Mobile Modular Management Corporation, without disruption of services while permanent office space is being made available.

BACKGROUND

In early 2008, General Services, at the request of the Environmental Services Department, bid and awarded a minor public works agreement with Mobile Modular Management Corporation for the lease and installation of a 60 foot by 72 foot trailer to accommodate additional program staff hired to implement the asset management program, and capital program at the Plant. The term of the agreement is for a period of up to 24 months from the date of execution by the City to March 28, 2010, with a maximum compensation not to exceed \$98,856.

The agreement provides that the lease of the trailer is to expire on January 12, 2010, and that the trailer must be vacated by December 12, 2009. This was done so that all dismantling and

removal activities and final invoice payments could be completed by March 28, 2010. Under the proposed amendment the lease and all activities must be completed by July 12, 2010, so there will be no separate termination date for the trailer.

Temporary office space is needed until the Environmental Services Building Repair project is completed and all necessary tenant improvements made thereafter. The Environmental Services Building is expected to be ready for move-in by December 2009. The move-in is planned in phases over two months to avoid significant disruption to the critical laboratory and program services to the Plant. At the current monthly lease rate the maximum compensation limits of the contract would be reached by January 12, 2010, requiring the vacating of the trailer space by early December.

ANALYSIS

Staff has been negotiating with Mobile Modular Management Corporation to maintain the current monthly lease rate of \$3,579.83 and Mobile Modular Management Corporation has agreed to that amount. To allow additional flexibility for the completion of the repair project and phased move-in, staff is requesting the agreement be extended by a period of up to six months with an option to terminate early if appropriate depending on the move schedule for the various teams vacating the trailer space. Including sales tax and with the six month lease extension, the additional cost to rent the trailer is \$23,465.76.

EVALUATION AND FOLLOW UP

No follow up items are anticipated with Council at this time.

PUBLIC OUTREACH/INTEREST

- Criterion 1:** Requires Council action on the use of public funds equal to \$1 million or greater. **(Required: web 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 action does not meet any of the above criteria. This memo has been posted on the City's website for October 20, 2009 Council Agenda.

09-28-09

Subject: Approval of Amendment to Extend Trailer Lease at WPCP

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COORDINATION

This project and memorandum have been coordinated with City Manager's Budget Office and the City Attorney's Office. This item is scheduled to be heard at the October 8, 2009 Treatment Plant Advisory Committee meeting.

COST IMPLICATIONS

The monthly rent of the lease will be \$3,910.96 (including sales tax) for a total of \$23,465.76.

BUDGET REFERENCE

Fund #	Appn #	Appn. Name	RC #	Total Appn.	Amt. for Contract	2009-20010 Proposed Operating Budget Page	Last Budget Action (Date, Ord. No.)
513	0762	ESD Non-Personal/Equipment	4000000 941800	\$36,207,625	\$23,465	XI-78	6/23/2009, 28593
Total Current Funding Available				\$36,207,625			

CEQA

Not a project.

/s/
JOHN STUFFLEBEAN
Director, Environmental Services Department

/s/
PETER JENSEN
Director, General Services Department

For questions please call Matt Morley, Deputy Director of General Services, at (408)535-1298.