



Sent to Council:

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MAY 22 2012
City Manager's Office

Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Leanna Bieganski

SUBJECT: Early Council Packet

DATE: May 22, 2012

Approved

Date

5-22-12

EARLY DISTRIBUTION COUNCIL PACKET FOR JUNE 5, 2012

Please find attached the Early Distribution Council Packet for the June 5, 2012 Council Meeting.

2.x Amendment to the Parking Lot Lease Agreement with Boston Properties for the Almaden/Woz Parking Lot.

Recommendation: Approve the Twelfth Amendment to the Parking Lot Lease Agreement between the City of San José and Boston Properties (dba BP Almaden Associates, LLP) for the Almaden/Woz Parking Lot, to extend the term of the lease from July 1, 2012 to June 30, 2017, in the amount of \$34,000 per month for the first three years and \$35,020 per month for the remaining two years, for a maximum amount of \$2,064,480 over the five year extended term. CEQA: Statutorily exempt, File No. PP10-067(a), CEQA Guidelines Section No. 15273 – Rates, Tolls, Fares, Charges. (Transportation)

6.x Agreement with the Transportation Security Administration to Fund Eligible Costs for Deployment of Law Enforcement Officers at the Airport.

Recommendation: Adopt a resolution authorizing the City Manager to apply for federal funding, negotiate, and execute an Other Transaction Agreement with the Transportation Security Administration (TSA) to fund eligible costs for deployment of law enforcement officers (LEOs) at each airport passenger-screening location at the Norman Y. Mineta San José International Airport in excess of the City Manager's contract authority in the estimated amounts of approximately \$1,133,000 per year or approximately \$3,400,000 for the period October 1, 2012 to September 30, 2015. CEQA: Not a Project, File No. PP10-066(e), Services that involve no physical damages to the environment. (Airport)

7.x Report on Bids and Award of Contract for the El Dorado and Gold Street Storm Sewer Improvement Project.

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Early Distribution Packet

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Recommendation: Report on bids and award of contract for the 6875-El Dorado and Gold Street Storm Sewer Improvement (Re-bid) Project to the low bidder, Mountain Cascade, Inc., in the amount of \$1,249,250, and approval of a contingency in the amount of \$125,000. CEQA: Exempt, PP11-036, dated May 17, 2011. Council District 4.
(Public Works)

These items will also be included in the Council Agenda Packet with item numbers.


LEANNA BIEGANSKI
Council Liaison

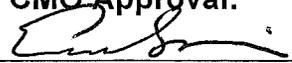




**Subject: ALMADEN/WOZ LEASE
AMENDMENT**

**Council Agenda: 06-05-12
Item:**

City Council Action Request

Department: Transportation	CEQA: Statutorily exempt, PP10-067(a), CEQA Guidelines Section No. 15273 – Rates, Tolls, Fares, Charges.	Coordination: City Attorney’s Office, Budget Office	CMO Approval: 
			Dept. Approval: /s/ Hans F. Larsen

RECOMMENDED ACTION:

Approval of the Twelfth Amendment to the Parking Lot Lease Agreement between the City of San José and Boston Properties (dba BP Almaden Associates, LLP) for the Almaden/Woz Parking Lot, to extend the term of the lease from July 1, 2012 to June 30, 2017, in the amount of \$34,000 per month for the first three years and \$35,020 per month for the remaining two years, for a maximum amount of \$2,064,480 over the five year extended term.

BASIS FOR RECOMMENDATION:

In November 2001, City Council approved a lease with Boston Properties for the Almaden/Woz Parking Lot, located at 282 Almaden Blvd. The lease has been amended 11 times, primarily to extend the lease term, and is currently scheduled to expire on June 30, 2012. The Almaden/Woz Parking Lot has 390 spaces and supports parking for the Convention Center, Center for the Performing Arts and other entertainment and business venues. The facility also supports various special events, such as the Rock and Roll ½ Marathon, Jazz Festival and Christmas in the Park.

To continue effectively managing parking at the Almaden/Woz Parking Lot and retain the operation of the facility as part the City's public parking system, staff negotiated a five year extension of the lease agreement. The amendment increases the monthly lease payments 2.4%, to \$34,000, on July 1, 2012; and another 3%, to \$35,020, on July 1, 2015. The current monthly payment of \$33,200 has been in place since 2006. All other terms and conditions of the lease agreement will remain

The Almaden/Woz Parking Lot is projected to generate net revenues of approximately \$50,000 in FY11-12, and is projected to net an average of \$50,000 annually, over the five year extended term of the agreement.

As provided for in the existing lease, either party is required to give at least 60 days written notice for termination of the lease. The Director of Transportation is authorized to terminate the lease agreement for the City.

The proposed amendment was discussed with, and supported by, the Downtown Parking Board at their meeting on May 2, 2012.

COST AND FUNDING SOURCE:

The cash flow of the amendment will be \$408,000 per year for the first three years, and \$420,240 per year for the remaining two years; for a total cost of \$2,064,480 over the extended term, to be funded by the General Purpose Parking Fund (Fund 533). The \$408,000 cost of the lease in FY12-13 will be funded from available funds in Appn. 0512.

FOR QUESTIONS CONTACT: Joe Garcia, DOT Division Manager, at 535-3833



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: William F. Sherry, A.A.E.

SUBJECT: SEE BELOW

DATE: May 14, 2012

Approved

Date

5/22/12

**SUBJECT: TRANSPORTATION SECURITY ADMINISTRATION LAW
ENFORCEMENT OFFICER REIMBURSEMENT PROGRAM OTHER
TRANSACTION AGREEMENT**

RECOMMENDATION

Adopt a resolution authorizing the City Manager to apply for federal funding, negotiate, and execute an "Other Transaction Agreement" with the Transportation Security Administration (TSA) to fund eligible costs for deployment of Law Enforcement Officers (LEOs) at each airport passenger-screening location at the Norman Y. Mineta San José International Airport in excess of the City Manager's contract authority in the estimated amounts of approximately \$1,133,000 per year, or approximately \$3,400,000 for the period October 1, 2012 to September 30, 2015.

OUTCOME

Approval of this recommendation will allow the City to receive a federal grant to partially fund the Airport's cost of providing the required security mandated by the TSA and to reduce Airport operating and maintenance costs.

BACKGROUND

After the events of September 11, 2001, several security mandates were issued by the TSA in order to ensure the security of the traveling public and the nation's transportation system. One of these mandates is to require each airport operator to provide a law enforcement presence and capability at the Airport that is adequate to ensure the safety of the passengers.

On June 26, 2007, the City Council authorized the City Manager to apply for grant funding and execute related agreements with the TSA for the reimbursement of the law enforcement officer costs at the passenger-screening locations. In September 2007, the City executed a Cooperative

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Transportation Security Administration Law Enforcement Officer Reimbursement Program Other Transaction Agreement

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Agreement with the TSA for a five-year period effective from October 1, 2007 to September 30, 2012.

ANALYSIS

Since the current Cooperative Agreement expires on September 30, 2012, the TSA invited the Airport to re-apply for grant funding for another three-year term from October 1, 2012 to September 2015. The TSA reimburses the Airport for actual direct costs of law enforcement support, not to exceed the current hourly rate of \$26.01, which has been reduced from \$29.39 since October 1, 2011. The average hourly overtime rate of police officers assigned at the airport security passenger-screening locations is approximately \$78.

Contingent upon supplemental funding being available, additional consideration may be given to airports with costs in excess of the not to exceed hourly rate of \$26.01. For this reason, staff intends to submit a grant application based on the actual average overtime pay of police officers assigned at the Airport in order to maximize grant funding. Currently, the Airport is providing approximately 1,200 hours per month of LEO time to support the security passenger-screening locations and these are all done on overtime hours. The estimated cost of this mandated measure is approximately \$1,133,000 per year or approximately \$3,400,000 for the period from October 1, 2012 to September 30, 2015. Any level of federal funding for this mandated security measure would significantly reduce the Airport security costs.

EVALUATION AND FOLLOW-UP

No subsequent Council action on this issue is necessary. Funding to pay for police overtime associated with the mandated requirement is currently budgeted in the Airport Maintenance and Operations Fund and the General Fund. The grant funding, if awarded, will be used to offset the cost of providing mandated security at the security passenger-screening locations at the Airport.

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)**

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Transportation Security Administration Law Enforcement Officer Reimbursement Program Other Transaction Agreement

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This memo will be posted on the City's website for the June 5, 2012 City Council Agenda.

COORDINATION

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

COST SUMMARY/IMPLICATIONS

The grant funding, if awarded, will be used to offset the cost of providing mandated security at the security passenger-screening locations at the Airport. The estimated maximum annual reimbursement of \$1,133,000 will reduce Airport operating and maintenance costs.

BUDGET REFERENCE

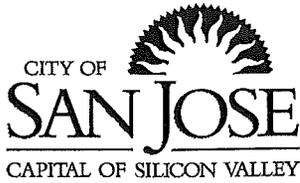
Funding to pay for police overtime associated with the mandated requirement is currently budgeted in the Airport Maintenance and Operations Fund and the General Fund. An estimated funding of \$375,000 from the TSA has been accounted for in the Airport Revenue Fund in FY 2012-13 Proposed Budget.

CEQA

Not a Project, File No. PP10-066(e), Services that involve no physical changes to the environment.

/s/ Kimberly B. Aguirre for
WILLIAM F. SHERRY, A.A.E.
Director of Aviation

Please direct questions to William Sherry, Director of Aviation, at (408) 392-3610.



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: David Sykes

SUBJECT: 6875-EL DORADO AND GOLD
STREET STORM SEWER
IMPROVEMENT (RE-BID)

DATE: May 14, 2012

Approved

Date

5/21/12

COUNCIL DISTRICT: 4

RECOMMENDATION

Report on bids and award of contract for the 6875-El Dorado and Gold Street Storm Sewer Improvement (Re-bid) Project to the low bidder, Mountain Cascade, Inc., in the amount of \$1,249,250, and approval of a contingency in the amount of \$125,000.

OUTCOME

Approval of the construction contract to Mountain Cascade, Inc. will enable the El Dorado and Gold Street Storm Sewer Improvement (Re-bid) Project to proceed on schedule with the construction of the new storm and sanitary sewer improvements in the Alviso area.

Approval of a ten percent contingency will provide funding for any unanticipated work that is necessary for the proper completion of the project.

BACKGROUND

The Alviso Master Plan, developed by the Department of Planning, Building and Code Enforcement with local community input, was adopted by Council in December 1998. The Master Plan recommends an action plan to improve streets in Alviso that do not have the full improvements of curbs, gutters, sidewalks, lighting, drainage and street trees. The majority of the land in Alviso is largely developed; therefore, there is less opportunity for these improvements to be constructed as a condition of approval for new land development.

El Dorado, Gold, Moffat and Elizabeth Streets are identified in the Master Plan as streets which require improvements to meet the City roadway standards.

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Subject: 6875-El Dorado and Gold Street Storm Sewer Improvement (Re-bid)

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The El Dorado and Gold Street Storm Sewer Improvement is located in Alviso along segments of Gold Street, Elizabeth Street, El Dorado Street and Moffat Street (see attached map).

This project was developed to adequately accommodate the volume of local storm water runoff. This will be accomplished by installing new storm pipelines which increase the capacity of the storm drain system. The new system will improve drainage, minimize the negative affects associated with standing water on the street, and improve accessibility for residents of Alviso. The project will also extend the existing sanitary sewer line in Gold Street to the Gold Street Storm Pump Station. This will provide an accessible discharge point adjacent to the pump station in the event that storm waters need to be diverted to the sanitary sewer system due to poor water quality.

The recommended improvement will include the installation of approximately 1,725 linear feet of storm drain pipe and 243 feet of sanitary sewer pipe. The project will also install manholes, inlets, sidewalk, curb & gutter, and wheelchair ramps.

This project was originally bid on December 8, 2011. All bids were rejected due to the low bidder submitting an invalid Bidder's Bond and therefore, were deemed non-responsive. The remaining bids received exceeded the funds budgeted at the time for the project so the remaining bids were rejected and the project was rebid.

Construction for this project is scheduled to begin in August with completion in October 2012.

ANALYSIS

Bids for this project were opened on March 29, 2012, with the following results:

<u>Contractor</u>	<u>Bid Amount</u>	<u>Variance Amount</u>	<u>Over/(Under) Percent</u>
American Asphalt Repair and Resurfacing Co, Inc.	\$1,429,604.00	\$521,379.00	57
Wattis Construction Co., Inc. (San José)	1,321,334.00	413,109.00	45
Pacific Underground Construction, Inc. (San José)	1,305,824.00	397,599.00	44
Mountain Cascade, Inc. (Livermore)	1,249,250.00	341,025.00	38
Engineer's Estimate	\$908,225.00	---	---

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Subject: 6875-El Dorado and Gold Street Storm Sewer Improvement (Re-bid)

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The lowest bid submitted by Mountain Cascade, Inc., is 38 percent over the Engineer's Estimate. The submitted bids for items related to underground work including pipe installation, trench sheeting & shoring and dewatering were higher than the engineer's estimate. This may be attributed to the anticipated wet soil conditions associated with underground work in the Alviso Area. Staff considers the lowest bid submitted for this project acceptable for the work involved in the project and recommends award of the contract to Mountain Cascade, Inc.

Council Policy provides for a standard contingency of ten percent on public works projects involving utilities. The standard contingency is appropriate for this project.

EVALUATION AND FOLLOW-UP

No subsequent Council action on this issue is necessary. Staff will monitor the impact of this action and communicate any issues to Council through a staff report.

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 Bidsync and advertised in the *San José Post Record*. Bid packages for all Department of Public Works construction projects are provided to various contractor organizations and builders' exchanges. This memorandum will be posted on the City's website for the June 5, 2012 Council agenda.

COORDINATION

This project and memorandum have been coordinated with the Departments of Planning, Building, and Code Enforcement, Transportation, Finance, 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.

COST IMPLICATIONS/IMPLICATIONS

1. AMOUNT OF RECOMMENDATION/COST OF PROJECT: **\$1,249,250**

Project Delivery	\$568,408*
Construction	1,249,250
Contingency	125,000

TOTAL PROJECT COSTS **\$1,942,658**

Prior Year Expenditures **\$277,890**

REMAINING PROJECT COSTS **\$1,664,768**

* Project delivery includes \$391,274 for Design Services, \$74,268 for Construction Management and \$102,866 for Inspection Services.

2. COST ELEMENTS OF CONSTRUCTION CONTRACT: Lump sum contract.

3. SOURCE OF FUNDING: 469 – Storm Sewer Capital Fund
545 - Sewer Service and Use Charge Capital Improvement Fund

4. OPERATING COST: The proposed operating and maintenance costs of this project have been reviewed and it has been determined that the project will have no significant adverse impact on the General Fund operating budget.

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BUDGET REFERENCE

Fund #	Appn. #	Appn. Name	RC #	Total Appn.	Amt. for Contract	2011-2012 Adopted Budget (Page)	Last Budget Action (Date, Ord.No.)
Remaining Project Costs					\$1,249,250		

Current Funding Available							
469	7232	El Dorado Street Storm Drainage Improvements	163865	\$467,000	\$200,000	V-123	10/18/2011 28979
469	7234	Gold Street Storm Drainage Improvements	163885	\$378,000	\$350,000	V-125	10/18/2011 28979
545	7252	<u>Gold Street Sanitary Sewer Extension</u>	166565	\$150,000	\$132,000	V-48	10/18/2011 28979
469	7351	<u>Alviso Storm Network Infiltration Control</u>	170895	\$1,200,000	\$567,250	V-121	6/21/2011 28928
Total Current Funding Available				2,195,000	\$1,249,250		

CEQA

Exempt, PP11-036, dated May 17, 2011.

/s/

DAVID SYKES
Director of Public Works

For questions please contact Michael O'Connell, Deputy Director, at (408) 535-8300.

Attachment

LOCATION MAP

N.T.S.

