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To: [Council, City: Council Agenda Email](#)
Cc: [Executive Leadership Team: ORG - Clerk's Office](#)
Subject: Council Agenda Consent Questions for June 22: Items 4, 5, 6, 10, 11, 12, 13, 19, 20, 21, 22, 23, 24, 25
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**Council Question Response**

Dear Mayor and Council Members:

On behalf of City Manager Ed Shikada, please find below the staff responses to inquiries made by Vice Mayor DuBois, Council Member Cormack, and Council Member Tanaka in regard to the June 22, 2020 Council Meeting agenda.

- **Item 4: Extension of State CALNET3 Contract to December 31, 2021**
- **Item 5: Climate/Sustainability and Climate Action Plan**
- **Item 6: Resolution to Join CSAC Excess Insurance Authority**
- **Item 10: Award of PDS On-Call Contracts**
- **Item 11: Utilities Electric Engineering Consulting Services**
- **Item 12: Contract Approval with TW Power Line for Utility Pole**
- **Item 13: Award PDS On-Call Contracts**
- **Item 19: PDS Contract Amendment with ID360**
- **Item 20: PDS Contract for FY2020 Streets Resurfacing Project**
- **Item 21: Adoption of a Resolution Calling a General Municipal Election for Tuesday, November 3, 2020, for Four Council Member Seats**
- **Item 22: Approval of Airport Contracts and Budget Amendment**
- **Item 23: Approval of 5-Year Contracts for On-Call Project Support Services**
- **Item 24: Approval of Agreement with Midpeninsula Community Media Center**
- **Item 25: 1700 & 1730 Embarcadero Rd: Appeal of Director's Decision**

Item 4: Extension of State CALNET3 Contract to December 31, 2021 *(Question from Council Member Tanaka)*

1. Why wasn't this bid out to other providers?

State of California CALNET3 contracts provide robust, reliable, and high availability telecommunications services at special rates. CALNET3 offers awarded contractors a larger customer base than any other qualified government purchasing vehicle in California, which encourages contractors to offer better services at lower pricing and more favorable terms, conditions, and Service Level Agreements (SLAs). This is also more efficient and eliminates the need for the City to issue separate invitations for bids.

Item 5: Climate/Sustainability and Climate Action Plan *(Question from Council Member Cormack)*

1. With these, and the grade separation work, is there any opportunity to consolidate contracts or receive an additional discount?

There are three AECOM Contracts being referenced. One is the Rail Grade Separation contract, an amendment to which is scheduled for Council approval on June 23 (Item #9). For this contract, staff was able to get a 5% reduction in the costs for the proposed amendment from the consultant. The consultant was able to achieve this reduction through a combination of measures including a reduction to hourly rates charged for certain personnel and reduction/elimination of the sub-consultant markup. Another contract is a new one to assist the City in preparing a Sea Level Rise Adaption Plan, which is scheduled for Council approval on June 22 (Item #5). For this contract, staff was able to secure a 7% reduction in cost through a combination of reducing tasks, substituting lower paid staff for higher paid ones, and reducing oversight hours from higher paid managers. The third contract is to assist the City in preparing the 2020 update of the Sustainability/Climate Action Plan. This contract was approved by Council on February 24, 2020, before all the impacts of the COVID-19 response became apparent. Nonetheless, staff will be negotiating changes to the scope shortly, and will be seeking cost reductions as part of that process.

In response to the question about consolidating contracts, staff does not believe that this would reduce

costs. The three contracts utilize different teams with distinct specialists within the overall AECOM corporate organization. Consolidation could potentially increase costs, as another layer of AECOM's management oversight may have been brought in.

Item 5: Climate/Sustainability and Climate Action Plan (Question from Council Member Tanaka)

1. Why is bid amount lower than contract amount?

An Additional Services budget of \$25,000 was added to the proposal amount, making the Contract amount greater than the proposal amount. However, the \$25,000 for Additional Services was almost entirely offset through negotiations with the consultant to lower the proposal amount in light of COVID-10 financial impacts. The result is that the Contract amount is only about \$3,000 greater than the proposal amount.

Item 6: Resolution to Join CSAC Excess Insurance Authority (Question from Council Member Cormack)

1. Will it be necessary or helpful for someone from the city to serve on the board of directors of this JPA?

Currently the City is only participating in a small portion of what the JPA offers and the more active cities are likely to hold seats on the board. However, the nominations for the board are held in the Fall and staff will explore the benefits of a board seat and will look into the process.

Item 6: Resolution to Join CSAC Excess Insurance Authority (Question from Council Member Tanaka)

1. What is the cost difference between Delta and VSP compared to PBIA?

Cost Comparison for Dental and Vision Plan Claims Handling (Projected for Calendar Year 2020)

Claims Handling	Current Annual Costs Delta Dental/VSP	Proposed Annual Costs PBIA*	\$ Difference (Savings)
Dental	\$105,000	\$101,000	-\$4,000
Vision	\$17,000	\$15,000	-\$2,000
Total	\$122,000	\$116,000	-\$6,000

*PBIA is the administrator serving the CSAC Joint Powers Authority.

Item 10: Award of PDS On-Call Contracts (Question from Council Member Tanaka)

1. What are the implications of having 8 contracts for the same types of projects?

These contracts create a pool of consultants that Planning and Development Services Department can utilize as the work demands and budget allows. The 8 firms have different talents, skills, and expertise. Some provide a wide range of services, some specialize in current planning, others excel at outreach, others at policy planning, and others at area planning. In addition to breadth, these 8 firms provide redundancy. One firm may not be available to take on a specific body of work when needed by the City, while another may have the availability and expertise. Through these 8 contracts, the City retains the greatest flexibility for on-call resources.

2. Is there an anticipated amount of new policies/municipal codes need to be developed?

The Planning and Development Services Department has a number of policy issues to address, including developing the policies in the Housing Work Plan and associated code changes. Not all of these policies will require the use of a consultant and not all policies will result in code changes. Some examples of work consultants, including on-call consultants, may help with include the upcoming Housing Element update, implementing housing legislation, and preparing coordinated area plans.

Item 11: Utilities Electric Engineering Consulting Services (Question from Council Member Tanaka)

1. There are 6 firms that submitted proposals, why is a bid amount not placed?

These are professional services contracts and the use of any of the bidders services is on a project by project basis, so the scope of work is not yet defined and there is no upfront bid amounts. Staff will prepare a scope of work to which the appropriate contractor will submit a quote. Staff can either accept, negotiate, or reject the quote at that time.

The proposers were evaluated based on the quality of their proposal, responsiveness, experience with

required tasks, cost, recent dealing with relevant agencies, references, and completeness of their proposal. Unlike construction contracts, price is not the determinative factor for professional services contracts. The top evaluated proposers for the various project types or with specific technical skills were selected.

Item 12: Contract Approval with TW Power Line for Utility Pole *(Question from Council Member Tanaka)*

1. **What is the estimated amount AT&T would pay for pole replacement costs?**

There are a total of 113 poles with an average cost allocation to AT&T of \$1,650 per pole. The estimated total is \$186k.

Item 13: Award PDS On-Call Contracts *(Question from Council Member Tanaka)*

1. **What is the benefit of adding 3 new contracts with the already existing 3 contracts?**

The three additional firms ensure that the City has redundancy ensuring that there are multiple firms who can provide the necessary services. In addition, as the landscape of economic recovery unfolds, some firms may close, merge, or otherwise become unavailable. In fact, this has happened during the term of the prior on-call contracts. The additional firms provide redundancy and flexibility for on-call resources, especially headed into an uncertain future.

Item 19: PDS Contract Amendment with ID360 *(Question from Council Member Tanaka)*

1. **Item 13 does not pass, will it affect the budget amount for this item?**

None of the items, including item 10, 13, and 19, appropriate budget to any of the firms. The budget for these contracts is decided by the City Council through the annual budget adoption process.

This item is a separate contract amendment from the contracts in item 13. The consequences of not being approved by the council depend on the reasons for not being approved. If item 19 is not awarded, then the City might not be able to continue the green building program as is, and this contract is shared across three City departments. If Items 10 and 13 are not passed, then Planning and Development Services could need to cease all contract operations at the Development Center, including plan review which is a service provided completely through on-call firms. Similarly, if item 10 does not pass no work can be performed by the Planning operation with any of the on-call firms.

Item 20: PDS Contract for FY2020 Streets Resurfacing Project *(Question from Council Member Tanaka)*

1. **Will the contract with O'Grady Paving, Inc. be applicable to other streets needing resurfacing outside of the stated projects, or will those need separate contracts?**

No, each project is developed with a particular set of streets and then bid separately for a discrete contract. Streets may be substituted within a contract in response to any coordination issues.

Item 21: Adoption of a Resolution Calling a General Municipal Election for Tuesday, November 3, 2020, for Four Council Member Seats *(Question from Council Member Cormack)*

1. **With the cost estimated at \$150,000 and the budget targeted at \$100,000, how will this discrepancy be reconciled?**

Any amount over the budgeted amount is taken care of at mid-year. A lot of it depends on how many candidates we get and if there are any measures added on.

Item 22: Approval of Airport Contracts and Budget Amendment *(Question from Council Member Tanaka)*

1. **What is the estimated 15% contingency amount anticipated for FAA reimbursement?**

The full contingency amount of \$2,080,958 is potentially reimbursable by the FAA, as long as change orders using the contingency are for work deemed grant-eligible by the FAA. If any of the contingency is used for the smaller portions of the project that are not grant-eligible, such as the Regional Water Quality Control Plant outfall pipe leak repairs or the hangar door foundations, those costs would not be reimbursed.

Item 23: Approval of 5-Year Contracts for On-Call Project Support Services *(Question from Council Member Tanaka)*

1. **Why wasn't this bid out to other providers?**

As mentioned in the staff report, the IT Department issued requests for proposals for the IT and SAP on-

call support contracts.

Item 24: Approval of Agreement with Midpeninsula Community Media Center (Question from Council Member Cormack)

1. **If the City does not proceed with the Council Chambers upgrade project, how else can the PEG fees be used?**

The PEG fees are restricted and must be used for projects that support PEG programming. The federal Cable Communications Policy Act of 1984 (Cable Act), 47 U.S.C. § 542, restricts the use of PEG fees to capital expenses associated with PEG access facilities. The Council Chamber upgrade project is the current large project that falls in this category. Although the Council Chamber upgrade project is under review and expected to be rescoped, funds are likely still eligible for a portion of a new project scope such as replacement of PEG-related equipment. However, if the project is completely cancelled, funds will be reserved for future eligible projects and capital investment.

Item 25: 1700 & 1730 Embarcadero Rd: Appeal of Director's Decision (Question from Vice Mayor DuBois)

1. **I am getting questions about the noise level of the car wash to the next door office building. The office building owner says they had 2 independent sound engineers review the acoustics and both concluded it will be 4 times louder than what the applicant said and twice the noise limit allowed under our ordinances. What can be done to address this concern short of pulling the item to address it?**

Staff are working with the applicant, Mercedes, and the adjacent property to resolve the noise concerns outside of the ARB process, which at this point is focused on matters unrelated to the carwash. Staff are aware of an error on the noise report that was not identified when this project first went to Council. Meetings are being held with the neighboring property owner and the applicant with staff to reach resolution. All parties understand that noise emanating from the carwash must comply with the City's noise ordinance. Staff will require noise compliance reports measuring local ambient noise during plan review (before a building permit issued). An additional, independent analysis, verifying compliance with the noise ordinance will be required prior to final occupancy. While unexpected, if the carwash operation violates the noise ordinance – it will not be permitted to operate.

Staff believes there are sufficient safeguards in place through conditions of approval, mitigation measures and regulations set forth in the noise ordinance to ensure noise from the carwash complies with the code and that no further conditions or Council action is necessary.

Thank you.

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