# RESPONSE TO COUNCIL QUESTIONS RE: 1/7/20 CITY COUNCIL AGENDA

**Agenda Item #:** 1.B
**Title:** Approve the List(s) of Claims and Bills Approved for Payment by the City Manager

Council Question: Please provide more information about the payment of $25 thousand to S&P Global Ratings, with a brief description of the work performed by the consultant.

Staff Response: As part of the application process for a Water Infrastructure Financing Innovation Act (WIFIA) loan for the Sunnyvale Clean Water Program, the City had to obtain an "Indicative Rating" from one of the major credit rating agencies on the City's Wastewater Enterprise. Currently, the City's most recent Wastewater Revenue bonds, issued in 2017, were rated AA+ by S&P.

Ratings analysts from S&P reviewed the City's Wastewater System, its financial health, and the proposed WIFIA debt structure, debt service payments, and projected debt service coverage. They provided a written conclusion that, given what was evaluated and absent any significant changes, the WIFIA obligation would also receive a AA+ rating and the outlook would remain stable. This is the optimal result and positions the City well going into negotiations with the Environmental Protection Agency on terms for the loan. The cost for the ratings review was $25,000.

**Agenda Item #:** 1.E
**Title:** Authorize the Issuance of a Purchase Order for Microsoft Server End of Life Support and Maintenance to SHI International Corp. (F-20-105)

Council Question: How long will MS offer the extended Win 2008 server support? What is the revised schedule/plan for moving the City to the new MS products? If ITS staff can't do the work and there are no vendors available to do the work, what are the City's next steps?

Staff Response: This purchase order will extend our Windows Server 2008 support by one year which is the full extent of support offered by Microsoft at this time. ITD is on track to complete the remaining migration from Windows Server 2008 platform by December 2020. At this time, all server migration that are within ITD purview have been migrated. Migration of the remaining servers is a collaboration between application vendors and consultants, application users and ITD. While vendor resources was an initial constraint for the January 14, 2020 deadline, ITD is in the process of scheduling remaining vendors for calendar year 2020.

**Agenda Item #:** 1.F
**Title:** Amend a contract with Synagro-WWT, Inc. for pond sediment removal and bio-solids handling and disposal services at the Water Pollution Control Plan (F20-030)

Council Question: How did we miss the gap in coverage? Since retrospective POs are not good practice, what procedures are in place to prevent more of these?

Staff Response: The original contract was established in December 2009. During the life of the contract several change orders and changes to the purchase order amount have been processed to

address variations such as changes in the fuel surcharge, CPI adjustments as identified in the contract, increases in chemical costs, and variations in solids production volume.

A slight increase in the volume of bio-solids produced in the final year of the contract resulted in exceeding the purchase order amount by approximately $70,000. The extension of the December 2009 contract is to allow for the payment of these services that occurred prior to the July 1, 2019 expiration. No bio-solids were processed and therefore no services were rendered during the gap in contracts between July 1, 2019 and September 2, 2019.

Each department is responsible for managing its own contracts and purchase orders. Finance maintains a list of blanket purchase orders for department use that is available on the City's internal Sharepoint site. If available, staff will configure the new ERP system to provide notifications of pending expirations and significant use of available funds to minimize retroactive adjustments to contracts and purchase orders.

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**Agenda Item #:** 1.G
**Title:** Modify a Purchase Order with Interstate Auto Sales for Purchase of Car Broker Services (F20-073)

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Council Question: When was the initial agreement for $50K executed? Would you describe the conditions that change regarding accidents that require a four-fold increase in the not-to-exceed amount? Have conditions worsened and, if so, in what ways? Are subrogation claims taking longer to settle or are there more of them?

Staff Response: The initial agreement began in April 2018 to address immediate needs for DPS un-marked vehicle procurement. The P.O allowed for quick replacement of vehicles that were in need of replacement, whether through an accident or in some cases a needed rotation of an unmarked vehicle, and serves as an option to quickly replace damaged unmarked vehicles.

Upon the successful procurement of several vehicles an increase is requested to this purchase order to address the need to replace several vehicles used in DPS undercover operations and reduce the downtime, if an accident occurs. Due to the operational nature of the work, a variety of vehicle types and brands are necessary to meet the operational goals and objectives. Used vehicles, that are in good condition, tend to serve the operational needs for these vehicles better than a new vehicle.

Council Question: I am not following the sentence at the bottom of page 1 about subrogation. Please provide an example of an accident requiring subrogation. Which vehicle(s) are involved? Is it a DPS vehicle, a City non-DPS vehicle or a non-City vehicle? Which department handles the subrogation claim? Is it DPS, Risk Management, or some other department? Are we backfilling DPS vehicles that have been in an accident with used vehicles purchased through the broker?

Staff Response: There are different types of accidents that occur that involve both DPS and other City departments. This contract is used to acquire used vehicles, some of which are replacements for totaled vehicle.

Risk Management handles the claim subrogation process for all City vehicle losses. That process begins when Fleet Management notifies Risk Management of a vehicle loss. Risk Management presently has 10 open subrogation claims for vehicle damage recovery valued at approximately $57,000. The average, non-totaled vehicle subrogation claim is approximately $2,750.

Once Fleet Management provides Risk Management all necessary vehicle repair and/or replacement invoices, there is no processing delay when an insurance claim is actually filed. Financial recovery typically takes about 45 days (often much less). The subrogation process most typically only includes recovery of vehicle damages (or a total loss). However, the subrogation process can also include other City property damage recovery (i.e. street signs, street lights, etc.) and sometimes workers' compensation subrogation if a DPS officer is injured in a vehicle accident. The latter takes substantially more time to subrogate, but it does not delay the settlement of a vehicle loss subrogation.

The subrogation process is delayed on the front end when a DPS vehicle is totaled and needs to be replaced. When a DPS vehicle is a total loss, the vehicle must be towed to a vendor to salvage specialized DPS equipment add-ons and then the vehicle must be towed to the salvage company for auction sale. Risk Management cannot subrogate the claim until all costs associated with a DPS vehicle loss are captured. Once Risk Management captures all these costs from Fleet Management, a claim is filed against the owner's insurance company for "Replacement Value" minus the cost of equipment salvaged and the sales price of the vehicle sold at auction. Sometimes with older vehicles, Risk Management has to settle for Kelly Blue Book value of the totaled vehicle. Therefore, in order to not disrupt DPS operations, the replacement DPS vehicle must be purchased, delivered, equipped, and then deployed in advance of a completed subrogation action. Once subrogation is completed, the funds received from the insurance company are allocated to the Fleet Services Internal Services Fund to offset the cost of the new DPS replacement vehicle.

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**Agenda Item #:** 2
**Title:** Approve an Amendment to the Contract with All City Management Services (ACMS) for Crossing Guard Services, Approve Budget Modification No. 18, and Find that This Action is Exempt from CEQA

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Council Question:
**Coverage**: Is it correct that each intersection (ECR and Poplar and ECR and Henderson) will have two people twice a day for a total of four hours. If so, how many minutes will the guards actively be managing the crossings and at what times?
**Costs**: Is my calculation correct: $34/hour x 2 intersections x 4 hours x 180 school days = $49K
**Start Date**: Mid-spring is about May 5th. Is the expectation that the crossing guards could be in place by then at the earliest? Is there any way to ask ACMS to expedite our requests?

Staff Response: Yes. The calculation is correct on the ongoing annual cost of adding the staffing hours to cover these intersections. The request to All City Management Services (ACMS) is to have each intersection (ECR/Henderson and ECR/Poplar) staffed with two crossing guards for one hour each in the morning and the afternoon for a total of four crossing guards.

The cost is based upon a current hourly rate of $33.92 with 8 hours being allocated for 180 days. The total being $48,844.80.

DPS and Chief Ngo has directly worked with ACMS and ACMS is actively recruiting for staffing. As of January 2, 2020, ACMS indicated their staffing situation has not changed and are unable to fill any additional crossing guard positions.

Council Question: Please provide a list of the 38 intersections at which ACMS provides crossing guard services, including the school(s) relevant to each intersection, and whether one or two crossing guards is posted at each intersection. It would be helpful if a map showing the 38 intersections could be prepared.

Staff Response: Sunnyvale DPS' school crossing guard program provides an important service for the City of Sunnyvale. As of December 2019, there are 45 crossing guards, servicing 17 schools at **38** intersections (listed below) in Sunnyvale. The crossing guards are provided through a contract with All City Management Services (ACMS).

## Intersections (Number of Guards if more than 1)

### Bishop Elementary
Maude/ Bayview
Maude/ Sunnyvale

### Braly Elementary
Gail/ Gladiola

### Cherry Chase Elementary
Heatherstone/ Bernardo
Heatherstone/ Grape
Hudson/ Grape

### Columbia Middle
Fair Oaks/ Ahwanee
Ferndale/ Morse
Glendale/ Morse

### Cumberland Elementary
Danforth/ Hollenbeck
Danforth/ Quetta

### Cupertino Middle
Helena/ Coronach
Helena/ Mary (2)
Helena/ Wright
Homestead/ Wright (2)

### Cupertino Middle / West Valley Elementary
The Dalles/ Wright
The Dalles/ Belleville
The Dalles/ Bernardo

### Ellis Elementary
Fair Oaks/ Olive (2)
Fair Oaks/ Old San Francisco (2)

### Fairwood Elementary
Fairwood/ Sandia

### Lakewood Elementary
Meadowlake/ Lakehaven

### Laurelwood Elementary
Lochinvar/ Inverness

### Nimitz Elementary
Richelieu/ Alberta

### Ponderosa Elementary
Ponderosa/ Lantana
Lily/ Henderson
Iris/Sequoia

### San Miguel Elementary
San Junipero/ Alvarado
San Miguel/ Amador

### San Miguel Elementary/ Columbia Middle
Fair Oaks/ Duane

### Stocklmeir Elementary
Dunholme/ Condor
Dunholme/ Floyd

### Sunnyvale Middle
Mango/ Knickerbocker (2)

### Vargas Elementary
Bernardo/ Ayala (2)
Bernardo/ Washington (2)
Leota/ Carson
Leota/ Washington

### West Valley Elementary
Belleville/ West Valley

Council Question:  What is the process for re-evaluating the locations and need for the crossing guards for the 38 intersections that are currently staffed?

Staff Response: Sunnyvale DPS and DPW has held initial meetings and is currently developing a process for evaluating future allocation of crossing guard resources. This includes re-evaluating all current intersections and any additional intersections that may be warranted for crossing guard assignment. Data should be collected for intersections including traffic and pedestrian crossing volumes. Staff intends to complete its analysis before the contract expires in fall 2021.

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**Agenda Item #:** Information Only
**Title:** Tentative Council Meeting Agenda Calendar

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Council Question: Why has item 20-0171 (consider funding for the Orchard Heritage Park Museum CEQA analysis) been agendized? Specifically, the motion passed by Council on July 16, 2019 required that "all costs including CEQA (estimated $25,000 to $60,000) [are] to be fully funded by SHSMA". Why is Council being asked to re-visit our original decision?

Staff Response: After the Council meeting, staff obtained quotes from several consultants to complete the necessary CEQA analysis. When the consultant information was presented to the SHSMA, for them to help select a consultant and provide a deposit for the work, they indicated that they were not willing to pay for the work. SHSMA said they felt that a CEQA analysis was not necessary and any CEQA analysis would need to be funded by the City. Therefore, the request from SHSMA for the City to fund the CEQA analysis is being presented to Council.

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**Agenda Item #:** Information Only
**Title:** Dockless Bike Share Pilot Program Update (Information Only)

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Council Question: Have we reached out to the two companies that are doing bike share in Mountain View?

Staff Response: The City of Mountain View does not currently have any operators for bike share. Mountain View had two operators, Lime and Ofo. Both of these companies have ceased bike share operations. The City of Sunnyvale did reach out to several operators, including Lime, during the City's RFP process last year. Mountain View is currently working on a RFP and permit process for bike and scooter share operators, but have not completed the process yet.