

RESPONSE TO COUNCIL QUESTION
RE: October 21, 2025 AGENDA

Item 3.D 25-1016: Action on Authorizing the City Manager to Execute an Agreement for Services With ACCO Engineered Systems Inc. for the Replacement of Two New Air Compressors, Two New Air Dryers, and to Provide Preventative Maintenance and Repair Services at Silicon Valley Power Facilities With a Maximum Compensation Not to Exceed \$1,500,000 and an Optional 10-Year Extension, All to be Funded by Silicon Valley Power

Question 1: How long have we been renting the replacement air compressor, what are the monthly rental costs, and what have we spent to date?

Response: SVP has been renting the replacement air compressor since approximately October 2023. To date, about \$400,000 of the \$600,000 previously authorized by the City Council under RTC 25-1019 has been spent. The monthly rental cost ranges between \$14,000 to \$15,000, depending on auxiliary items such as hoses, environmental fees, and other related charges.

Question 2: Does SVP have a formal asset management program for critical equipment replacement? If yes, why didn't it prevent this failure? If no, when will one be developed?

Response: Yes, SVP Generation Division utilizes a CMMS for Asset and Maintenance management. One of two air compressors failed in 2023 and the other is end of life even though it routinely receives preventative maintenance. SVP secured the rental solution as an interim measure to plan for full replacement of both units. The Air Compressors and air-drying units have been in service 24/7 for well over 20 years as they were part of the original equipment package when DVR was built in 2003. This equipment has exceeded its useful life and replacement is normal.

Question 3: How does the estimated \$60,000/year maintenance cost compare to current costs or in-house maintenance alternatives?

Response: RTC 25-1019 authorized an extension to the rental and included an extension of an existing contract with a separate vendor to continue to provide a variety of services, including maintenance on the compressors. The contract extension through 2028 includes an increase of \$850,000 to the agreement. Due to the wide scope of services, it is difficult to assign costs to compressors without a detailed review, which will take time. In addition, it is common for a vendor doing the installation of new assets to include contract provisions that they do any maintenance as it may impact warranty conditions. While SVP staff can perform limited preventive maintenance on these units, they are not equipped to perform all repairs that may be required. For this reason, a detailed cost analysis of an in-house maintenance alternative has not been conducted.

Question 4: Why commit to a single vendor for maintenance through 2037 rather than competitive bidding every few years?

Response: This vendor is an independent service provider and can provide maintenance on several different mfg's units. In the past, few vendors have been willing or authorized to perform maintenance on the installed equipment. In some cases, only the manufacturer or its designated service provider can perform the required maintenance, further limiting the available pool of qualified contractors. This had led to concerns about continuity of services and SVP's ability to ensure reliable upkeep over the equipment's life. To address this issue and secure long-term maintenance support for the new systems, staff opted for a 10-year maintenance period, which more closely aligns with the equipment's anticipated 20-year service life. The 10-year term is structured on an as-needed basis rather than a fixed maintenance fee. This allows SVP to perform certain routine or preventive

maintenance activities while maintaining a standing agreement with an authorized vendor for any services beyond SVP's capability. The agreement includes a termination for convenience provision should SVP no longer require the services, as well as flexibility to exercise the 10-year option in increments (e.g., one year, two years, etc.), allowing staff to consider rebidding the maintenance if needed.

Item 3.F 25-859: Action on Amendment No. 5 and Amendment No. 6 to the Grant Agreement with the California Department of Transportation Division of Rails and Mass Transportation, to include additional at grade crossing upgrades and to expand the budget for the Agnew Road At-Grade Crossing Project and Related Budget Amendments

Question 1: What was the original project scope and budget, and what specifically are the "additional upgrades"?

Response: The original project scope included upgrades to sidewalk, curb ramps, striping, and crossing gate arms with flashers. The total cost estimate for the original scope was \$573,750. The "additional upgrades" being requested include a new traffic signal at Agnew/Bassett; new bike lanes and median island on Agnew between Lafayette and Bassett; new streetlights, and intersection/signal modifications at Agnew/Lafayette. Caltrans is providing a total of \$4,386,152.49 to fund the original and expanded improvements.

Question 2: Why are we approving Amendment No. 5 AND Amendment No. 6 simultaneously, and what does each cover?

Response: Caltrans prepared both amendments. Under Caltrans project accounting practices, Amendment No. 5 zeros out the original unspent grant amount, and Amendment No. 6 adds the new funding for the project.

Question 3: Does this \$3.8 million increase represent cost overruns on original scope or scope expansion?

Response: The increased funding represents a new, expanded project scope as described in the response above rather than cost overruns.

Question 4: What are the ongoing maintenance and operational costs post-construction, and who pays for those?

Response: The city will be responsible for maintenance cost of the at-grade improvements which include new city-owned traffic signal at Agnew/Bassett and upgraded railroad crossing equipment. The maintenance costs are estimated at \$25,000 per year.

Question 5: What are the grant spending deadlines, and is this pressuring approval decisions?

Response: The City and Caltrans are still working through the grant spending deadlines which will be updated and it is not pressuring the approval decision.

Question 6: I see the following: *During this effort, the California Public Utilities Commission (CPUC), which oversees railroad and rail transit safety in California, **recommended additional safety enhancements** that were not within the project scope and budget. In response to CPUC's recommendations, the City, Caltrans, and UPRR determined that to address the CPUC's recommendations additional improvements and grant funding is required.*

I'm wondering how this work on additional safety measures might overlap with a quiet zone effort. Is there anything additional we could do to help get to a quiet zone?

Response: The additional safety measures are funded through the Section 130 grant program, which is strictly for railroad crossing safety improvements. While these improvements could contribute toward qualifying for a Quiet

Zone, the process would involve separate funding and a separate study.

Item 3.J 25-1032: Action to Waive First Reading and Approve Introduction of an Ordinance Amending Chapter 8.60 (“Unmanned Aircraft System”) of the City Code

Question 1: I see we got rid of the weight and size requirements. That doesn’t really make sense to me. It seems that drones under a pound should not be considered much of a threat.

Response: The FAA’s exclusive jurisdiction to regulate in the area of drones significantly limits the City’s ability to include certain topics in our Ordinance. The 2023 Fact Sheet clarified that design restrictions (such as weight and size requirements) are considered federally preempted by the FAA. From a ground-based safety perspective, drones weighing less than one pound can still house a camera, and can still interfere with public safety operations (for example, a public safety drone being used in a fire response). As a result, and from a regulatory perspective, the size of the drone was not deemed a definitive factor in determining the scope of the proposed restrictions.

Question 2: What if I want to use a drone to inspect the roof of my house? How is that covered?

Response: That is not prohibited under this proposed Ordinance. However, in the event a drone is deployed for this purpose in the vicinity of the Stadium, on a Major Event day, and without a permit, the Police Department may contact the drone operator and request that they delay the use until the conclusion of the Event.

Question 3: I also question the prohibition on use in any City Public Park. What if there is a public event and City staff wants to film? What if it is a wedding in the park and they want a drone?

Response: For City staff use of a drone to film City-sponsored events, the department (likely Parks or City Manager’s Office) can work with the Chief of Police or designee to obtain a permit. That permit may apply to more than one event. It is important for this step to occur because, particularly for the larger events like July 4th and Art & Wine, the Police Department may be using its own drone as a part of the public safety plan for the event, and those uses should not conflict. This process would allow for effective internal coordination between the departments.

For private party use of a drone in a park, the party can obtain a permit from the Chief of Police. The Police Department will review the applicant’s request for compliance with FAA requirements, proposed location and timing of the drone use, and the safety and privacy concerns implicated by the proposed use. The intent is not to prevent the use you describe, rather to ensure that the use is completed safely.

Question 4: What if City staff want to use a drone in a park or at Mission College for 4th of July concert and there are more than 1000 people? Is staff allowed to fly drones there and do they require a permit from the Chief of Police?

Response: Yes, as described above, the Police Department would work with Parks and CMO to coordinate the permit and the use.

Question 5: How much will the permit cost if I want a permit issued by the Chief of Police?

Response: No fees are associated with the permit.

Question 6: I see that what we really want to do is to restrict access to random members of the public whenever there are crowded events. I don’t see that being elaborated here, resulting in many side effects.

Response: As stated above, the FAA’s exclusive jurisdiction to regulate in the area of drones significantly limits the City’s ability to include certain topics in our Ordinance. With respect to large events, the City can regulate the “launch and land” of a drone within a certain radius from the Event. It is important to note that we have had a restricted radius in our City Code since 2015. The proposed increase in that radius – from one-half mile to one mile or two miles (depending on the Event) – is intended to address advancements in drone technology. The removal of some restrictive language in our Ordinance (design restriction, flight path, etc.) is intended to comply with new guidance from the FAA on what is considered preempted by federal jurisdiction.

Item 4.B 25-832: Action on the Santa Clara Stadium Authority Financial Status Report for the Quarter and Fiscal Year Ending March 31, 2025 and Related Budget Amendments and Item 4.C 25-833: Report on the Audited Santa Clara Stadium Authority Fiscal Year 2024/25 Annual Financial Statements

Question 1: What is the required timeline for Stadium Authority quarterly and annual financial reporting? Are we in breach due to 7-month delays?

Response: Per the Credit Agreement, the Stadium Authority is required to complete its audited annual financial statements within 180 days after the end of the Fiscal Year. The auditor and staff reviewed the financial statements with the Audit Committee on September 22, 2025 and completed the audit within the 180-day deadline therefore there was no breach. Regarding the Stadium Authority Financial Status Reports that are provided to the Board, there is no required timeline, however the annual report typically coincides with the completion of the audit to ensure all the financial statement data has been audited and is complete. While there is no required timeline, staff’s goal is to complete the Q1 report as soon as possible after the prior year’s annual report is done and the Q2 and Q3 quarterly reports within three months after the end of each respective quarter. For FY 2025/26 Q1, we are currently targeting the November 4th Board meeting.

Question 2: What does "true up" mean in plain language? Please provide a variance analysis showing budgeted vs. actual performance in FY 2024/25.

Response: Since the annual budget is adopted before the end of a Fiscal Year, the beginning fund balance and CIP carryover budget values in the Adopted Budget are based on estimates. The term “true up” is used to describe the budget adjustment needed once the actual values are known to reconcile the estimates approved in the Adopted Budget with the actual respective values.

The budgeted vs. actual performance in FY 2024/25 can be found on the following pages of the Financial Status Report:

- Operating Budget Status Report: Table 10 on page 15
- Debt Service Budget Status Report: Table 12 on page 20
- CIP Budget Status Report: Table 15 on page 24

Question 3: Is a \$5.2 million adjustment normal year-to-year variance, or does this suggest budgeting/forecasting problems?

Response: Every City and Stadium Authority budget will have variances between budgeted estimates and actual performance. Finance brings forward adjustments to the Stadium Authority and City budgets annually in October and December, respectively. Adjustments of \$5.2 million are within the normal range. By magnitude this represents approximately 5% of Operating, Debt Service and Capital activities.

Question 4: Which specific capital projects are being carried over from FY 2024/25, what is their total value, and why weren't they completed?

Response: The table below shows the capital projects that are being carried over from FY 2024/25 and these

projects are also listed in table 16 starting on page 27 of the Financial Status Report. At the end of the fiscal year there are generally always construction activities that continue beyond the end of the fiscal year. The list below reflect the continuation of large projects, for example the Levi's Naming Rights Signage, Lighting Systems and Boilers projects that are currently projected for completion in FY 2025/26.

Project Name	Amended Budget	Recommended Budget Amendments	Recommended Final Budget
Levi's Naming Rights Signage Refurbishment (2022/23 Carryover)	\$1,624,551	\$853,207	\$2,477,758
Lighting Systems - Fixture Replacement of Major Outdoor Lighting / LED Retrofit / Sports Lighting	\$2,665,655	\$1,965,726	\$4,631,381
LED Retrofit Project - Phase 1	\$131,250	(\$36,145)	\$95,105
Broadcast Booth Window System Replacement	\$157,500	(\$17,470)	\$140,030
Stormwater System Assessment and Replacements	\$210,000	(\$66,075)	\$143,925
Aesthetic Improvements - Premium Areas / Special Event Spaces (2022/23 Carryover)	\$192,110	(\$49,379)	\$142,731
Project and Construction Management Firm (2023/24 Carryover)	\$160,520	(\$43,145)	\$117,375
Women's Locker Room (2019/20 Carryover)	\$0	\$61,957	\$61,957
General Areas / Coatings Main Deck (2021/22 Carryover)	\$0	\$306,560	\$306,560
Plumbing - Boilers (2023/24 Carryover)	\$946,764	(\$116,857)	\$829,907
Main Kitchen Equipment (2016/17 Carryover)	\$275,423	\$1,856	\$277,279
Replace Furniture for BNY Field Clubs, United, Levi's 501 & Yahoo clubs and Special Event spaces (2019/20 Carryover)	\$80,241	(\$5,129)	\$75,112
Security General Allowance (2023/24 Carryover)	\$302,362	\$29,538	\$331,900

Question 5: What are the specific new public safety projects, their costs, why are they necessary, and who is funding them?

Response: The table below shows the specific public safety projects and these projects are also listed in table 16 starting on page 27 of the Financial Status Report. These will be funded by the Stadium Authority.

Project Name	Total Recommended FY 2025/26 Budget	Justification
Radio Batteries	\$30,000	This project would replace 168 batteries for stadium radios. The current batteries have extended beyond their usable lifespan. The radio batteries are included in the CapEx 5 Year Forecast under FY 2026/27 in the amount of \$15,500; however, they require replacement ahead of their initial projected end of life. The estimated cost in the CapEx 5 Year Forecast was based on actual costs from 2020 and the pricing has since increased.
Radio Batteries/Chargers	\$7,500	Santa Clara Police Department (SCPD) officers have received updated radios that are not compatible with stadium radios. This project would procure 20 backup batteries for the SCPD radios and two chargers for the backup batteries. The battery portion of this project was included in the FY 2026/27 radio battery replacement project that was included in the CapEx 5 Year Forecast described above.
Body Worn Camera Storage	\$30,000	This project would install a docking station in the police briefing room at the stadium for Body Worn Cameras (BWCs) utilized by officers assigned to the stadium. Currently, these BWCs are stored at the Police Department and there are operational inefficiencies associated with transporting the BWCs to and from the stadium before and after each event for usage, charging, and uploading evidence. The on-site docking station provides for cost savings in staff time that exceed the cost of the project.
Livescan Equipment	\$15,000	This project will procure a new monitor and hardware for fingerprinting equipment at the stadium temporary holding facility. This system is necessary to be compatible with the Santa Clara County's updated booking system.
Credentialing Equipment	\$17,000	This project will procure two new credentialing printers, one to be placed at the police station and another at the stadium. Due to recent changes in the credentialing process, SCPD require credentialing printers that have the ability to print credentials.

Question 6: What systemic changes are being implemented for timely reporting, accurate budgeting, and real-time oversight?

Response: The timing of the Q4 Financial Status Report is later than the others because we wait for audit results which are typically completed at the end of September. Staff works to provide accurate budget reports that

includes the best-known data at the time they are developed. We also review activity throughout the year and recommend budget adjustments as they are identified. We receive Non-NFL Event (NNE) quarterly reports 45-days after the end of Q1, Q2 and Q3 as well as a final NNE year-end report 90-days after the end of the Fiscal Year all of which are used to complete the Quarterly Financial Status Reports. Additionally, Stadium Authority staff has access to NNE and Share Stadium Expense transactional data in the Financial Management System.

Item 6 25-1520: Action on Adoption of a Resolution Establishing the Necessary Findings of Fact for Modifications to the California Building Standards; Action on Introduction of an Ordinance Amending Title 15 (“Buildings and Construction”) of “The Code of the City of Santa Clara, California” for the Adoption of the 2025 California Building Standards Code, Including Updates to the City’s “Reach Code”; and Setting November 4, 2025 for a Public Hearing on Adoption of such Ordinance (Deferred from October 7, 2025) and Item 8 25-1540: Public Hearing: Action to Waive Second Reading and Adopt Ordinance No. 2079 amending Chapter 15.60 of the Santa Clara City Code (“Santa Clara Municipal Fire and Environmental Code”) for the adoption of the 2025 California Fire Code.

Question 1: What's the typical cost to retrofit an existing 2,000 sq ft home with sprinklers when adding 1,300 sq ft?

Response: For a total 3,300 square foot home, based on data from the Home Fire Sprinkler Coalition, retrofit costs generally range from \$2.00 to \$7.00 per square foot, comparable to the cost of installing carpet for reference.

The most significant expense for homeowners, is often not the fire sprinkler system itself but the required water service upgrade. In the City of Santa Clara, the current fee for a 1-inch water meter for a retrofitted residence is \$23,982.96. A summary of the three most common cost components is provided below:

ITEM DESCRIPTION	COST
Fire Sprinkler Installation @ \$7.00 square foot (estimate)	23,100.00
Fire Department Fees	1757.00
Water & Sewer Department Fees	23,982.96
Total	48,839.96

Residential fire sprinkler systems represent the single most effective life safety feature that can be installed in a single-family home, providing unmatched protection to residents by dramatically reducing the risk of fire-related injury, or death.

Question 2: How many residential addition permits annually would trigger the sprinkler requirement?

Response: The fire sprinklers are triggered when more than a total 1200 square foot addition is proposed. Based on the Building Division records, the following residential permits would trigger fire sprinklers each year:

Calendar Year	Number of residential additions permits required fire sprinklers
2023	5 permits
2024	3 permits
2025	2 permits

Question 3: What's the cost difference between installing sprinklers in just the new addition versus retrofitting the entire existing home?

Response: Residential fire sprinklers are classified as a life safety system and, in accordance with the reference installation standard NFPA 13D, must be installed throughout the entire dwelling, with only limited exceptions,

such as small closets, and bathrooms.

Question 4: Why are basements treated more strictly (any new basement triggers whole-house sprinklers vs. 1,200 sq ft threshold for above-ground additions)?

Response: The requirement is for new basements and when more than 50% of existing basement area is added, and this would trigger the fire sprinkler requirement. Basements present unique fire hazards. Because they often have only one primary escape route, a fire can quickly block this exit, trapping occupants. Furthermore, the presence of stored materials and utility spaces can introduce hazardous materials and increase the risk of fire. Poor ventilation allows fire and smoke to spread rapidly and extensively, making the situation much harder to control. Fire sprinkler systems are critical, as they can suppress a fire long enough for occupants to escape safely, limiting the spread of smoke and providing crucial evacuation time.

In addition, fire sprinklers installed in basements enhance fire suppression by controlling the fire early in areas that can be difficult for fire departments to access due to limited entry points, low visibility, and high heat accumulation.

The Building Division recommends retaining the fire sprinkler requirements for added or expanded basements, consistent with previously adopted codes.

Question 5: Where does Santa Clara fall compared to other Bay Area cities on these requirements? Are we among the most restrictive?

Response: Santa Clara's maximum square footage thresholds are generally consistent with those adopted by most jurisdictions within the Santa Clara County. However, several neighboring agencies have established lower square footage thresholds, resulting in more restrictive requirements.

Question 6: Are these amendments being coordinated regionally, or adopted independently based on local conditions?

Response: Since the 1970s, the Santa Clara County Fire Marshals' Association has collaborated to establish consistent local fire code amendments and best practices across jurisdictions. Over the decades, many chapters and provisions of the 2025 California Fire Code can trace their origins to this regional effort.

While strong regional consistency exists across most countywide amendments, fire sprinkler requirements have historically varied more widely due to political considerations, and community risk profiles. Achieving full regional alignment on fire sprinkler provisions remains an ongoing priority for the Association.

Item 7 25-910: Public Hearing: Action to Accept the 2025 Report on the City's Water Quality Relative to Public Health Goals

Question 1: What do ND (Not Detected) ranges mean? How many samples were ND vs. detected for contaminants like arsenic?

Response: "ND" stands for Not Detected, meaning the concentration of a contaminant in the sample was below the laboratory's detection limit.

Arsenic: 16 samples out of 22 samples were ND for arsenic, and the range of detections for the remaining 6 samples were 0.63 ppb to 2.2 ppb.

Hexavalent Chromium: 1 sample out of 22 samples were ND for hex. chromium. The range of detections for the

remaining 21 samples were 0.19 ppb to 4.3 ppb.

Perchlorate: 6 samples out of 22 samples were ND for perchlorate. The range of detections for the remaining 14 samples were 0.21 ppb to

Question 2: The hexavalent chromium MCL was set October 1, 2024, but this report uses 2022-2024 data. Was there no MCL during the monitoring period?

Response: Between 2017 and September 30, 2024, there was no enforceable Maximum Contaminant Level (MCL) specifically for hexavalent chromium in California and only Total Chromium was enforced with an MCL of 50 ppb. The City did not exceed the MCL for Total Chromium, so it was not reported in the past.

On April 17, 2024, the State Water Resources Control Board (SWRCB) adopted a new MCL for hexavalent chromium of 10 ppb. The new standard took effect October 1, 2024.

Question 3: Has the City considered implementing proactive testing for schools, daycares, restaurants, and high-exposure facilities rather than relying on voluntary requests?

Response: When it comes to public health goals, the City is required to monitor all its 20 groundwater wells only. They state does not recognize sampling outside of the wells. The City does monitor for lead and copper as required per state regulations, and the City continues to monitor every 3 years under specific state guidelines.

The Federal Lead and Copper Rule Improvements and Lead and Copper Rule Revision has new requirements for public water systems to test schools and child-care facilities for lead. The City must:

- By November 1, 2027, must submit a list of schools/child-care facilities they serve.
- From 2028-2032, must sample at least 20% of elementary schools and child-care facilities per year.
- After 2033, must sample all facilities (or make them eligible) on request.

This is a new regulation, and City staff is evaluating the implementation of testing and monitoring.

Question 4: What would it cost to test all schools and daycares annually, and all restaurants and city facilities every three years?

Response: The City would need to evaluate and assess the costs. For PHGs, it is not recommended by the state or EPA to monitor at these locations and only accepts groundwater well monitoring for Santa Clara.

Question 5: Given the 2018 exceedance at John Sutter Elementary, shouldn't we test schools regularly rather than waiting 6-7 years?

Response: John Sutter resampled, and they reported no exceedance with the second round of sampling. New regulations require testing of all schools, and City staff is evaluating future testing and monitoring.

Question 6: Would Council consider directing staff to develop a comprehensive testing program beyond minimum federal requirements?

Response: The City adheres to the Division of Drinking Water – State Water Resources Control Board required extensive monitoring programs. The state requirements exceed USEPA requirements. If the City were to increase monitoring, the City would need to assess adding staffing and budget to implement such an increase in monitoring.