



**Date:** COUNCIL RECESS 2016

**To:** City Manager for Council Action

**From:** Director of Public Works/City Engineer

**Subject:** Recess 2016: Approval of the Property Management Services Agreement for the Santa Clara Convention Center Complex (Maintenance District #183) with Orchard Commercial, Inc.

### **EXECUTIVE SUMMARY**

The Public Works Department is responsible for administering and coordinating the ongoing maintenance of the Santa Clara Convention Center Complex (Maintenance District #183). The Public Works Department conducted a Request for Quote for Property Management Services. The City and the District Partners evaluated four Property Management Companies. Through an extensive interview process, it was agreed upon by the District Partners, which include the Santa Clara Convention Center, Hyatt Regency and Equity Offices (Techmart), to hire Orchard Commercial, Inc. as the Property Management firm to assist the Public Works Department in providing property maintenance services for Maintenance District #183. The No.1 ranked proposer was unable to meet City's standard insurance requirements. Orchard Commercial Inc, is the next highest ranked proposer, and is able to satisfy all the City's contractual requirements.

The base management fee is \$6,250 per month.

### **ADVANTAGES AND DISADVANTAGES OF ISSUE**

Approval of this 3 year agreement would assist the Public Works Department in managing and maintaining the Maintenance District #183 infrastructure until 7/31/2019.

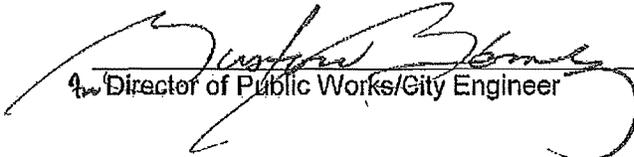
### **ECONOMIC/FISCAL IMPACT**

The amount paid to Orchard Commercial, Inc. for property management services for Maintenance District #183 will be \$225,000 over 3 years. Funds are available in the Santa Clara Convention Center Maintenance District account (026-2961-87870).

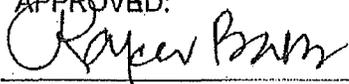
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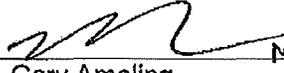
**RECOMMENDATION**

That the Council approve and authorize the City Manager to execute the Agreement for the Performance of Services by and between the City of Santa Clara and Orchard Commercial, Inc. to provide daily ongoing property management services at the Santa Clara Convention Center Complex (Maintenance District #183) in an amount of \$75,000 for FY 2016-17, \$75,000 for FY 2017-18 and \$75,000 for FY 2018-19, not to exceed \$225,000 for the 3-year term expiring on July 31, 2019, subject to budget appropriations.

  
\_\_\_\_\_  
Director of Public Works/City Engineer

Certified as to Availability of Funds: *OK*  
026-2961-87870                      \$75,000

APPROVED:  
  
\_\_\_\_\_  
Rajeev Batra  
Acting City Manager

  
\_\_\_\_\_  
Sup Gary Ameling  
Director of Finance

**MAJORITY VOTE OF COUNCIL**

Documents Related to this Report:  
1) Agreement