

RESPONSE TO COUNCIL QUESTIONS RE: 6/6/23 AGENDA

Agenda Item 3.D 23-593: Action on the Award of Purchase Orders Greater than \$250,000, with an Aggregate Amount of \$4,275,000, for Vehicles and Equipment for the Fire, Silicon Valley Power, Public Works and Water and Sewer Utilities Departments to be Funded by Amounts Previously Approved in the Vehicle Replacement Fund in the City's Operating Budget for Fiscal Year 2022/23

Council Question:

Where will the proposed new fire truck be housed?

Staff Response:

Staff is still evaluating the precise location based on call volume and the life cycle of two trucks that are approaching end of life. The truck that is proposed to be purchased, will replace a truck at Station 6 (north of the Stadium) or Station 2 (which also houses the city's fire training facility).

Agenda Item 3.H 23-123: Action on an Agreement for Services with Davey Tree Surgery Company with a Maximum Compensation of \$25,000,000 for the Initial Five-year Term and an Option to Extend for an Additional Five Years for a Total Maximum Compensation of \$60,000,000 Over the Ten-year Term

Council Question:

What are the termination provisions for the agreement for both the initial 5-year term or the 6-10 year extension?

Staff Response:

Initial 5 Years

For the initial five years the agreement includes the City's standard termination language. It provides the City the ability to terminate for convenience and also allows both parties termination for default. The language is included in Section 7 (Termination) of the agreement and below:

- A. *Termination for Convenience. City shall have the right to terminate this Agreement, without cause or penalty, by giving not less than Thirty (30) days' prior written notice to Contractor.*
- B. *Termination for Default. In addition to all other remedies provided by law, if either Party fails to perform any of its duties or obligations or the breach by any of the terms and conditions set forth in this Agreement, the other Party may terminate this Agreement if the defaulting party has failed to cure such default for a period of thirty (30) days after receipt of written notice from the other Party specifying in reasonable detail the nature and extent of any such failure.*
- C. *Upon termination, each Party shall assist the other in arranging an orderly transfer and close-out of Services. As soon as possible following the notice of termination, but no later than ten (10) days after the notice of termination, Contractor will deliver to City all City information or material that Contractor has in its possession.*

Possible 6-10 Year Extension

Any extension beyond the initial term is at the City's discretion. Section 2 (Term of Agreement) includes the following:

After the Initial Term, City reserves the right, at its sole discretion, to extend the term of this Agreement for up to five (5) additional years through June 30, 2033 ("Option Periods") in such increments as determined by City. Such extensions of term shall be authorized through an Amendment to this Agreement executed by the Parties. The Initial Term and Option Periods shall collectively be referred to as "Term".

Section 7 (Termination) as also applies to any extension.