

CITY MANAGER'S BLOG

INFORMATION

Following are key activities and information to be highlighted:

Community Meetings on the New FoodCycle Food Scraps Recycling Program – Open invitations for the community to learn more about FoodCycle will be held at the Sunnyvale Public Library, Fiction Room, from 6:30 to 8 p.m., on July 12 and August 9. Spanish translation will be available.

- Learn about FoodCycle's features and benefits
- Get answers to your questions about the service
- View samples of the new carts and tools residents will receive
- Learn some "kitchen tips" to help you separate food from garbage

Residents with questions about FoodCycle can visit the City's website [here](#), or contact City staff at 408-730-7262.

Utility Rate Increase Breakdown – Last week, Sunnyvale's City Council adopted utility rate increases for solid waste, water and wastewater utility services. In general, utility rates are increasing due to contractual obligations for collecting solid waste or purchasing water, general increases to operate the utilities, and costs related to rebuilding the Wastewater Treatment Plant. A summary of each utility and breakdown of the increase is available on the City's website and attached to this report.

New City Website Launches July 17 – The City is launching its completely redesigned website on July 17. Located at the same URL (Sunnyvale.ca.gov), the new site will now be on a secure, stable, mobile-friendly platform and has improved features such as multiple search and navigation options, shareable news posts, a filterable calendar, and social media center. It's also the launch of 'Access Sunnyvale,' our new Customer Relationship Management tool to make it easier for customers to request services and submit requests online via the new mobile-friendly website. The site has entirely new content, an up-to-date platform, and a bold, modern design, however, many of the third-party applications that bring much of the functionality to the site are NOT changing at this time. This includes Legistar/InSite for Council and Commission documents; e-OneStop for online permitting; NeoGov for City jobs; DemandStar for bidding on City projects; Vermont Systems for recreation class registration and picnic area reservations; and Volgistics for volunteer registrations. The current City website will be available for a few weeks following the launch, however, most of the links will break and content is not being updated on that site after July 12. As with any new system, we'll still be updating content and fixing bugs after the launch, so if you can't find something or want to provide feedback on the new site, do so with the feedback links located on each page. Contact Communications@sunnyvale.ca.gov or 408-730-7535 for more information.

San Miguel Neighborhood Clean-Up Event – On June 17, the Public Safety Neighborhood Preservation (NP) unit held a clean-up event in the San Miguel neighborhood. It is one of several spring/summer neighborhood clean-up events held throughout the city. This event was coordinated by NP staff, with assistance from San

Miguel Neighborhood Association Board Members and area residents. By 8 a.m., Specialty Solid Waste was already removing full dumpsters throughout the neighborhood and replacing them with empty ones! The clean-up was a huge success and resulted in the disposal of over 34 tons of unwanted items, junk, and garbage. The all-day event also provided a great opportunity for residents to meet and interact with their neighbors, and work side by side with City staff. For more information, contact Christy Gunvalsen at cgunvalsen@sunnyvale.ca.gov or 408-730-7255.

Community Center Renovations – The Sunnyvale Community Center will be undergoing renovations to address roof repair/replacement, fire protection systems, electrical and plumbing repair, some interior upgrades and other necessary work to meet current codes. Work will last through February 2018. As work is being done on a building, all or portions of the building will be closed to complete the work. Renovations began June 26, at the Indoor Sports Center, where there will be no activities in the building through September 15. Ongoing updates will be posted at affected buildings to inform customers which activities and services have been relocated.

Library Bikemobile Name – The Library is pleased to announce the new name for the bikemobile: The BIKE (Bringing Innovation and Knowledge to Everyone). The name captures the essence of our Library; a center for learning, a catalyst for innovation and a place where all are welcome. The BIKE made its first appearance at the Farmer's Market, to the delight of more than 100 people and will soon be seen at various locations throughout Sunnyvale.

Volunteers Give Washington Park a Facelift – On June 16, around 40 volunteers from the local Target store cleaned the playground sand by removing leaves and debris and sifting the sand to provide a clean and safe environment for the children to play. They also spread bark mulch in an area that previously was turf. Reduction of the turf area size at the park will help with reducing water needs. This was a successful volunteer event by the Target group who have given back time and energy to keep Sunnyvale's parks safe, usable and beautiful. The group also cleaned the trash container lids, trimmed up redwood tree suckers and cleaned cobwebs off many of the light fixtures. More information about volunteering and Sunnyvale's Adopt-a-Park program can be found at Parks.insunnyvale.com or by calling the Parks office at 408-730-7506.

NOVA Awarded LinkedIn Grant for Youth — LinkedIn has awarded NOVA a grant to support the NOVA youth program. This \$30,000 contribution represents one of several grants that LinkedIn has awarded NOVA over the past several years. NOVA is deeply grateful for LinkedIn's generosity and unwavering commitment to this community's youth.

NOVA Workforce Review – On a monthly basis, NOVA produces the [Workforce Review](#) report that aggregates data from the [State jobs report](#) for the NOVA consortium. The June edition includes an article about the warning signs that Silicon Valley's stronghold in the innovation economy may be at risk. The 2017 [Silicon Valley Competitiveness and Innovation Project report](#), a joint venture of Silicon Valley Leadership Group and Silicon Valley Community Foundation, highlighted four issues: immigration, housing, transportation and education that must be effectively addressed if Silicon Valley is to maintain its competitive advantage. The unemployment rate for the San Jose-Sunnyvale-Santa Clara Metropolitan Statistical Area was 3.0 percent in May, down from a revised 3.1 percent in

April; the state unemployment rate was an adjusted 4.7 percent in May, down from 4.8 percent in April; and Sunnyvale's unemployment rate was 2.6 percent in May, down from 2.8 percent in April.

Sunnyvale Begins Enterprise Resource Planning (ERP) System Procurement – The City issued a Request for Proposals (RFP) on June 22 for an ERP system. The City's financial system is over 20 years old and near the end of support. The City is seeking to replace the current financial, payroll, and human resources information (HRIS) systems with an integrated, modern solution that will provide improved functionality for City staff as well as dashboards and improved access to real-time data for City management and Council. The proposed solution will provide a full suite of finance-related functionality, payroll processing, employee self-service including eTimecards, and human resources information management. The RFP includes a staged procurement process with the list of potential solutions winnowed down at each stage based on a scored evaluation of the vendors' submissions. The intent is to balance the time and effort invested by vendors and staff so that only the most viable solutions progress to the final, more time intensive stages of the process. At the last stage, vendors will be required to provide staff with a "playground" to allow for hands-on interaction with a proposed solution prior to final selection. The City plans to utilize the Best and Final Offer (BAFO) provision of the Sunnyvale Municipal Code (SMC 2.08.060) to ensure the most competitive pricing for this procurement. For more information, contact Tim Kirby, Director of Finance, at tkirby@sunnyvale.ca.gov.

Sunnyvale's Next Affordable Rental Community: Edwina Benner Plaza – On June 29, representatives of the nonprofit housing developer MidPen Housing Corp., the City of Sunnyvale, and other stakeholders gathered at 460 Persian Drive to celebrate the groundbreaking of Sunnyvale's newest affordable housing community. Edwina Benner Plaza is a 66-unit affordable rental housing development. Construction of the project began in June and is anticipated to be completed in summer 2018. The development will include a mix of one-, two- and three-bedroom apartments, with units affordable to lower-income households with incomes ranging from 30 percent to 60 percent of area median income, and 13 units reserved for special needs households. For more information about this project, contact [Matt Lewis](#), Project Manager with MidPen Housing, at 510-817-2758, or [Shila Behzadaria](#), Housing Planner with the City of Sunnyvale, at 408-730-7250. To sign up on the [interest list](#) for Benner Plaza, visit MidPen's [leasing page](#) or call 650-356-2900.

Reminder to Participate in Online Survey on Accessory Dwelling Units (ADUs) – The City is currently conducting a study on ADUs, as prescribed in one of the objectives listed in the City's 2015-2023 Housing Element. The goal of the study is to analyze potential changes to the ADU regulations, including possibly reducing the minimum lot size. A public survey on this topic is currently available on Open City Hall. The survey was designed to help staff and decision-makers better understand the community's views and ideas about ADUs. Residents, housing seekers and others are encouraged to take the [survey](#) to share their thoughts on ADUs in Sunnyvale. The survey will remain open until August 15. For more information about this study, contact Housing Planner [Shila Behzadaria](#) at 408-730-7250.

Update on Budget Performance Measures – During the June 20 City Council meeting, Councilmember Smith requested a Study Session on performance measures for the budget and distributed a handout. Staff is reviewing the information provided. In balancing workload

and the allocation of resources to this effort, it's important to note that an update to the City's performance measures is already underway. As part of the budget restructure and implementation of a new budget system, departments are evaluating and revising performance measures and performance targets for FY 2017/18 and forward. The Finance Department is currently working with departments to refine and amend departmental performance measure submittals. It is anticipated that work will be completed in the fall at which point staff will provide Council an update and engage with Council to solicit feedback on the proposed measures. For more information contact Kenn Lee, Assistant Director of Finance, at klee@sunnyvale.ca.gov.

Study Session on Sunnyvale Underground Pipes – At the June 20 Council meeting, Councilmember Melton discussed a possible Study Session to better understand the City's underground pipe system and needs. The City completed a Water Master Plan in 2010 and a Sewer Master Plan (both sanitary and storm sewers) in 2015. Staff is making copies of the plans and will be making these available for Council review to help inform the Council on the need for a future Study session.

Community Development Department (CDD) Projects – Councilmembers have asked about the status of several studies and follow-up actions for which CDD is taking the lead. This year has been particularly challenging for the department in terms of staffing. Several key positions are vacant or soon to be vacant, staff are on (and planning for) extended leaves, and recruitment efforts are taking longer to find qualified staff for new positions. The economy continues to be robust in terms of construction plan review and inspections and in new planning applications. In the coming weeks, the City Council may notice that recruitment has commenced for the Chief Building Official (in fact, staff is recommending a formal change to the position title, to be considered by the City Council on July 11). **In all three divisions, Planning, Building and Housing, there are potentially seven recruitments to fill vacant positions.** In particular, the vacancies are affecting the timing to complete the Green Building Program update, the Zoning Code Retooling (a multi-year effort) and the follow-up memo on jobs and housing ratio. In addition, project reviews are also taking a little longer. A recent letter from a resident highlights the delay in the split-zoning study for the sites on Hollenbeck. For more information, contact Trudi Ryan, Director of Community Development, at 408-730-7435 or tryan@sunnyvale.ca.gov.

Regional Economic Forum: Immigration Solutions in Law Enforcement – On June 15, Chief Phan Ngo attended the Silicon Valley Regional Economic Forum, hosted by the Silicon Valley Leadership Group, and served as a panelist on the Immigration Solutions Panel. The Silicon Valley Regional Economic Forum is one of the 16 regional forums in the State of California to help identify economic competitiveness issues of the region. In partnership with local organizations, the event was held to discuss the issues that matter to most. The results from the forums are funneled up to a state-wide summit or Capitol day to identify the issues facing the state. For more information, contact Chief Phan Ngo at 408-730-7155 or pngo@sunnyvale.ca.gov.

UPCOMING MEETINGS AND EVENTS

Joint Study Session on the Proposed Lakewood Branch Library and Learning Center Feasibility Study – The Study Session, a joint meeting between the Sunnyvale City Council, the Parks and Recreation Commission, and the Library Board of Trustees, will take

place on Tuesday, July 11, at 6 p.m. in the West Conference Room at City Hall, 456 W. Olive Ave. Staff will present a Study Session on the work that has been done to date with the Sunnyvale School District regarding a joint use Lakewood Branch Library and Learning Center. The parties have identified four potential sites to study that are of mutual interest. The purpose of the Study Session will be to present a preliminary overview of the opportunities and challenges of these sites and to seek input from the Council, Parks and Recreation Commission and Library Board of Trustees as to whether the project team should evaluate one or more of the locations. Based on the Study Session input, the project team will proceed with a more in-depth review of the proposed sites in order to collect the necessary data needed to proceed to the next phase of community engagement. Once the community engagement process is complete, the project team will seek Council direction on a final proposed project. The project team consists of representatives of the Department of Library and Community Services, Public Works and the Sunnyvale School District with assistance from Anderson Brule and Associates. A subsequent presentation to the Sunnyvale School District Board of Trustees is tentatively scheduled for August 2017.

Community Outreach Meeting, Project Proposal for 840 and 850 E. El Camino Real

Wednesday, July 19, 7 to 8:30 p.m. The meeting will be held at the proposed project site at 840 E. El Camino Real. The proposed one-story, multi-tenant retail building project entails demolition of three commercial buildings and construction of a new 10,350-square foot single-story multi-tenant commercial building. The building will be oriented towards El Camino Real with parking behind the structure. The project is located within the Precise Plan for El Camino Real. For more information contact Cindy Hom, Project Planner, at chom@sunnyvale.ca.gov or 408-730-7411.

Washington Park Summer Reading Programs – Wednesdays at 7 p.m. Don't miss out on the fun at the Family Nights @Washington Park series. Performers in July include award-winning magician and illusionist, Jack Alexander on July 5, the Magical Moonshine Puppets on July 12, Sterling Johnson, the bubble master on July 19 and ventriloquist Steve Chaney on July 26. Bring a blanket for lawn seating.

Small Business Workshop – Tuesday, July 11, at 7 p.m. Brian Kuepper from FranNet will present the first in a series of workshops about small business ownership. Be the Boss: Taking Charge of Your Career through Business Ownership will include information about different ownership options such as starting a business from scratch, buying an existing business or buying a franchise and how these would be funded.

Free Salsa Dance Class (Summer Salsa Series) – Tuesdays, July 11 through August 1, 7 to 8 p.m. at the Columbia Middle School Multi-Purpose Room (739 Morse Ave.). Learn to dance Salsa and Bachata, including basic patterns, style and technique. Open to all adults, minimum age 18. No children please. For more information, call CNC at 408-730-7800.

Summer Storytime at CNC – Thursdays, July 13 and 27, from 3 to 4 p.m. Join Sunnyvale Librarians for songs and activities at Columbia Middle School's Library (739 Morse Ave.). All families are welcome and children will enjoy a free snack at the end of the program. For more information, call CNC at 408-730-7800.

Schoolhouse Rock Live! Jr. – In partnership with the Department of Library and Community Services, the Sunnyvale Community Players proudly presents their summer

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junior production of *Schoolhouse Rock Live! Jr.* Performances run July 14 to 23 at the Sunnyvale Theatre (550 E. Remington Drive). This Emmy Award-winning Saturday morning educational cartoon series and pop culture phenomenon is now the basis for one of the most fun musicals ever to hit the stage. For more information or to purchase tickets visit sunnyvaleplayers.org.

Flick at Night at Columbia Park – Come on Friday, July 21, for a free outdoor screening of *The Jungle Book* (2016) at Columbia Park (739 Morse Ave.). Plan to arrive around 7:45 p.m., the movie will begin shortly after sunset. Bring a blanket/chair and snacks. For more information, call CNC at 408-730-7800.

Attachment

CITY OF SUNNYVALE

Utility Rates – Detail of Rate Increase Distribution

Solid Waste Rates – 3% Increase

In the Solid Waste Management Fund, an additional 3% rate increase is expected to generate \$1.4 million in additional ongoing revenue. These revenues would be used to cover additional costs related to the City's collection contract with Specialty, approximately \$760,000 or 1.7% of the 3.0% rate increase. Additional costs of approximately \$256,000 for Sunnyvale's share of SMaRT Station and landfill costs are covered by approximately 0.6% of the rate increase. Operations costs for the administration of the City's solid waste, transfer and disposal program contracts, recycling program outreach and other regulatory costs represent an increase of approximately \$292,000 (0.6% of the 3.0% rate increase). The largest components of this increase include the fund's fair share of overhead (\$198,000) to pay for central departmental support of the enterprise's operations and salaries and benefits changes (\$68,000). The overhead allocation is applied consistently across all city funds to reimburse the General Fund cost for human resources, information technology, finance, City Manager and Council support. Lastly, other net expenses and reserve expenditures make up the remaining 0.1% rate increase. The table below shows the revenue and expenditure increases from FY 2016/17 to FY 2017/18 and the distribution of the 3% rate increase in the last column.

Solid Waste Management Fund	Increase from FY 2016/17 to FY 2017/18	Rate Increase Distribution
Additional Revenue	\$1,374,533	3.0%
Collection Contract	\$760,255	1.7%
SMaRT/Landfill Expense	\$256,018	0.6%
Operations	\$292,109	0.6%
Other Net Expenses/Reserves	\$66,151	0.1%
Additional Total Expenses	\$1,374,533	3.0%

Water Rates – 12.5% Increase

In the Water Supply and Distribution Fund, an additional 12.5% rate increase is expected to generate \$5.3 million in additional ongoing revenue. The bulk of this increase is allocated to meet the minimum water purchase requirement included in Sunnyvale's agreement with the San Francisco Public Utilities Commission (SFPUC) and projected demand increases across the City (8.0% of the 12.5% rate increase). By comparison, SFPUC water is 40% more expensive

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than wholesale water available from the Santa Clara Valley Water District (SCVWD). In addition, wholesale water rate increases from SCVWD are projected at 9.9%. This increase totals approximately \$839,000, or 2.0% of the 12.5% rate increase. Other purchased water cost increases related to the City's share of the BAWSA charge from SFPUC and pump tax increase from SCVWD totaling approximately \$132,000 or 0.3% of the rate increase. Operational increases, including staff to maintain and operate the water utility, total \$905,000 or approximately 2.2% of the rate increase. These increases primarily include salaries and benefits (\$338,000), goods and services (\$301,000) and the fund's fair share of overhead (\$206,000) to pay for central departmental support of the enterprise's operations. The overhead allocation is applied consistently across all city funds to reimburse the General Fund cost for human resources, information technology, finance, City Manager and Council support. Other Net Expenses/Reserves include costs for capital expenditures, debt service, and reserve accounts. The table below shows the revenue and expenditure increases from FY 2016/17 to FY 2017/18 and the distribution of the 12.5% rate increase in the last column.

Water Supply and Distribution Fund	Increase from FY 2016/17 to FY 2017/18	Rate Increase Distribution
Additional Revenue	\$5,253,878	12.5%
SFPUC Minimum Water Purchase/ Projected Demand Increase	\$3,376,985	8.0%
Wholesale Water Cost Increase	\$839,100	2.0%
Other Purchased Water Costs (BAWSCA Charge, Pump Tax)	\$131,948	0.3%
Operations	\$904,644	2.2%
Other Net Expenses/Reserves	\$1,201	0.0%
Additional Total Expenses	\$5,253,878	12.5%

Wastewater Rates – 10% Increase

In the Wastewater Management Fund, an additional 10% increase is expected to generate \$3.4 million of additional revenue. Almost half (\$1.6 million or 4.7% of the 10% rate increase) of these increases will help fund increases in operations, which include maintenance of the City's sanitary sewer collection system and the 24-hour operation of the Treatment Plant. While increases in operations includes salary and benefits for positions charged to each fund, most the increase in operations is focused in the Wastewater Management Program (\$941,000). The

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FY 2017/18 Budget included the addition of three additional positions (1.0 Senior Operator and 2.0 Operator) to provide additional operational capacity and oversight. Due to the 24-hour nature of the Plant operations, staffing challenges have occurred when other positions become vacant or employees are absent. These positions will help to mitigate these challenges. The fund's fair share of overhead increased \$620,000 to pay for central departmental support of the enterprise's operations. The overhead allocation is applied consistently across all city funds to reimburse the General Fund cost for human resources, information technology, finance, City Manager and Council support. Approximately \$928,000 or 2.8% of the rate increase is dedicated to increase the debt service reserve requirement. The City finalized a \$127 million loan from the Clean Water State Revolving Fund that requires a sum equivalent to the annual debt payment (\$5.3 million) be set-aside in reserves. Increases totaling \$864,000 for additional debt service payments and net other expenses/reserve accounts for a quarter of the 10% rate increase. The table below shows the revenue and expenditure increases from FY 2016/17 to FY 2017/18 and the distribution of the 10% rate increase in the last column.

Wastewater Management Fund	Increase from FY 2016/17 to FY 2017/18	Rate Increase Distribution
Additional Revenue	\$3,407,984	10.0%
Operations	\$1,616,733	4.7%
Debt Service Reserve (To meet SRF Loan Requirement)	\$927,577	2.8%
Net Debt Service/Other Expenses	\$863,674	2.5%
Total Expenses	\$3,407,984	10.0%