

Minutes of Regular Meeting  
**Board of Directors**  
**San Jose Downtown Property Owner's Association**

November 20, 2007

A regular meeting of the Board of Directors of the San Jose Downtown Property Owner's Association, a non-profit California corporation, was held at Adobe, 345 Park Ave., San Jose, CA 95110.

The following Board members were present: Berg, Hammers, Isnard, Knox, Mattson, Munro, Ortbal, Ryan, and Utic.

The following Board members were absent: Gallagher and Shadman.

Also present were Executive Director Scott Knies, Deputy Director Blage Zelalich, Office Manager Alanna Garbarino, Operations Manager Eric Hon, Rich Sutton, Ray Rodriquez, Michael Reedy, Richard Ajluni, Andy Ajluni, Gina Vella, Joe Vella, and Michael Baccile.

Hammers called the meeting to order at 8:45 a.m.

Minutes

- The minutes of the October 23, 2007 meeting were approved as distributed via email.

President's Report

- Hammers introduced new PBID Operations Manager Hon. Hon introduced himself and spoke about his background.

Clean and Safe Subcommittee report/selection

- Ortbal reported that the clean and safe committee (Ortbal, Knox, Munro) analyzed RFP's from other organizations and cities in order to produce a comprehensive RFP. The RFP was released October 19. About a dozen prospective firms attended the pre-proposal conference to have their questions answered by Ortbal and Knies on October 25. Six proposals were received by the due date of November 6. The subcommittee short-listed the proposers to four finalists. The subcommittee members as well as Hammers, Knies and Zelalich interviewed the four finalists (SGI, Universal Sweeping Services, Universal Maintenance and Block by Block) on November 15. Hammers noted that the board received the committee report via email on November 16 regarding the selection process and recommended vendor. Knies added that representatives from three of the finalists were present. He reviewed the memo. The selection committee was unanimous in their recommendation of SGI. The evaluation panel was impressed with SGI's approach regarding the use of "green" equipment, their understanding of the PBID goals and the opportunity to use one vendor to provide both clean and safe services. The SGI proposal was considered the most responsive proposal based on cost, equipment and management. The committee looked at all possible combinations with the four finalists proposing either clean only (Universal Sweeping, SGI and Universal Maintenance), ambassadors-only (Block-by-Block and SGI), or combination (SGI, and Universal Maintenance with Block-by-Block). The recommendation by the committee was for the board to authorize the Executive Director to begin negotiations with SGI for both clean and safe services. Isnard asked a question about providing a clause in the contract that would allow the PBID to cancel the services if they were unsatisfactory. Ortbal responded that there is a sixty-day cancellation per a written notice. Knox noted that SGI's cleaning proposal ranked highest amongst the other proposals and that the combination of services by one service provider was a good idea. Knies added that references were contacted for all four bidders and all were positive referrals. Ryan asked about SGI providing local management since their corporate offices are located in Pennsylvania. Hammers responded that SGI is

looking into opening a downtown office and have a manager onsite. Ortbal also added that SGI has discussed scheduling regular visits from their corporate office. Hammers then opened the floor to public comments. Michael Reedy, an attorney representing Universal Maintenance, raised concerns about the RFP process and asked the board to defer making a decision until more information could be gathered. Ray Rodriguez, a co-founder of SJDA and UM representative, suggested local companies were more qualified to provide clean and safe services downtown. The owner of Universal Sweeping, Gina Vella, stated her company was qualified for the services however she accepted the recommendation from the evaluation panel. Ortbal clarified the RFP process and how it was developed. He was pleased with the process and the final RFP as it adhered to fairness. Knies responded to some of the comments and provided information about the feasibility study, management plan, budget estimating, petition process, City Council approvals, property owner election and PBID board formation. He reminded members that the PBID went through a rigorous public process to produce the management plan and budgets, and these documents had been available to the public. The board voted unanimously to authorize the Executive Director to negotiate an agreement for the PBID clean and safe services with SGI. Hammers then introduced Michael Baccile of SGI. Baccile noted that SGI spent a lot of time responding to the RFP and was challenged by the PBID's demands for innovative machinery, combining the prevailing/living wages, and reducing energy consumption.

#### Election of Officers

- Ortbal announced that the following members have been nominated: Munro as Vice President, Mattson as Secretary and Knox as Treasurer. The nominations were unanimously approved.

#### Logo/branding/uniform development update

- Knies and Hammers have met with DMNA and will see the first round of visual materials later today. Samples will be available for review at the next board meeting.

#### Other Matters

- The next PBID board meeting is scheduled for December 18 at 8:30 a.m.

#### Closed Session

- The board went into closed session to discuss potential legal matters regarding the RFP process.

Meeting adjourned at 10:06 a.m.