

MINUTES OF THE CITY COUNCIL

SAN JOSE, CALIFORNIA

TUESDAY, OCTOBER 22, 1996

The Council of the City of San Jose convened in regular session at 9:30 a.m. in City Council Chambers at City Hall.

Present: Council Members: Dando, Diquisto, Fiscalini, Johnson, Powers, Shirakawa, Jr., Woody; Hammer.

Absent: Council Members: Diaz, Fernandes (both excused); Pandori.

Upon motion unanimously adopted, Council recessed to a Closed Session at 9:35 a.m. in Room 600 to confer with Legal Counsel pertaining to existing litigation pursuant to Government Code Section 54956.9 Subsection (a), to consider the cases of *San José Water Company v. City of San José*; and *City of San José, et al. v. Alvarez, et al.*

By unanimous consent, Council reconvened from the Closed Session and recessed at 10:55 a.m. and reconvened at 1:40 p.m. in Council Chambers, City Hall.

Present: Council Members: Dando, Diaz, Diquisto, Fernandes, Fiscalini, Johnson, Pandori, Powers, Shirakawa, Jr., Woody; Hammer.

Absent: Council Members: None.

INVOCATION

Bill Johnson, Cambrian Park United Methodist Church, delivered the invocation. (District 9)

PLEDGE OF ALLEGIANCE

Mayor Hammer led in the Pledge of Allegiance.

ORDERS OF THE DAY

Upon motion by Council Member Powers, seconded by Council Member Fiscalini and unanimously carried, the Orders of the Day and the Amended Agenda were approved.
Vote: 11-0-0-0.

CEREMONIAL ITEMS

- 5a Presentation of award to the City of San José for its participation in Joint Venture: Silicon Valley Network, Healthy Community-Healthy Economy Initiative's Healthy Workforce Mentor Program. (City Manager's Office)**

Documents Filed: None.

Discussion/Action: This item was deferred to November 5, 1996.

- 5b Presentation of a commendation to Rachel Walderrama for receiving the 1996 Peninsula Association for the Education of Young Children (PAEYC) Teacher Recognition Award. (Dando)**

Documents Filed: None.

Discussion/Action: This item was deferred to October 29, 1996.

CONSENT CALENDAR

Upon motion by Council Member Fiscalini, seconded by Council Member Powers and unanimously carried, the Consent Calendar was approved and the below listed actions were taken as indicated. Vote: 11-0-0-0.

Minutes for Approval

- 6a(1) Regular Meeting of August 20, 1996**

Documents Filed: Minutes of the regular meeting of August 20, 1996.

Discussion/Action: The Minutes were approved. Vote: 11-0-0-0.

Ordinances for Final Adoption

- 6b(1) ORD. NO. 25173 - Rezones certain real property situated on the eastside of Capitol Avenue, 250 feet southerly of Cropley Avenue.
PDCSH 96-05-027**

Documents Filed: Proof of publication of the title of Ordinance No. 25173 submitted by the City Clerk.

Discussion/Action: Ordinance No. 25173 was adopted. Vote: 11-0-0-0.

- 6b(2) ORD. NO. 25175 - Authorizes and ratifies certain encumbrances and expenditures made during City's Fiscal Year 1995-96 in excess of sums appropriated therefor.**

Documents Filed: Proof of publication of the title of Ordinance No. 25175 submitted by the City Clerk.

Discussion/Action: Ordinance No. 25175 was adopted. Vote: 11-0-0-0.

Public Hearings Set by Council

- 6c(1) Adoption of a resolution initiating proceedings on an ordinance of the City of San José amending Chapter 20.08 of Title 20 of the San José Municipal Code relating to Bed and Breakfast Inns by amending Section 20.08.102 to eliminate the restriction of five (5) guest rooms, setting a public hearing on December 3, 1996 at 1:30 p.m., and referring the ordinance to the Planning Commission for its recommendation and comments. (Planning, Building and Code Enforcement)**

Documents Filed: Memorandum from Director of Planning, Building and Code Enforcement, Gary J. Schoennauer, dated October 4, 1996, recommending Council place on the October 22, 1996 Agenda the adoption of said resolution.

Discussion/Action: Resolution No. 66921, entitled: "A Resolution of the Council of the City of San José Initiating Proceedings On Its Own Motion to Amend Title 10 of the San José Municipal Code Relating to Bed and Breakfast Inns by Amending Section 20.08.102, to Eliminate the Restriction of Five (5) Rooms, Setting a Public Hearing and Referring Said Ordinance to the Planning Commission", was adopted. Vote: 11-0-0-0.

- 6c(2) Adoption of a resolution initiating proceedings on an ordinance of the City of San José amending Chapter 20.08 of Title 20 of the San José Municipal Code relating to Building Mounted Wireless Communication Antennas by amending Section 20.28.040 and other related sections, allowing the Director of Planning to issue an Adjustment Permit for the construction and operation of a Wireless Communication Antenna in certain instances, setting a public hearing on December 3, 1996 at 1:30 p.m., and referring the ordinance to the Planning Commission for its recommendation and comments. (Planning, Building and Code Enforcement)**

Documents Filed: Memorandum from Director of Planning, Building and Code Enforcement, Gary J. Schoennauer, dated October 4, 1996, recommending Council place on the October 22, 1996 Agenda the adoption of said resolution.

Discussion/Action: Resolution No. 66922, entitled: "A Resolution of the Council of the City of San José Initiating Proceedings On Its Own Motion to Amend Title 20 of the San José Municipal Code Relating to Building Mounted Wireless Communication Antennas by Amending Section 20.28.040, Allowing the Director of Planning to Issue

an Adjustment Permit for the Construction and Operation of a Wireless Communication Antenna in Certain Instances, Setting a Public Hearing and Referring Said Ordinance to the Planning Commission”, was adopted. Vote: 11-0-0-0.

- 6c(3) Adoption of a resolution initiating proceedings on an ordinance of the City of San José amending Chapter 20.08 of Title 20 of the San José Municipal Code relating to Wireless Antenna Trailer by amending Section 20.08.1110 to include a definition of Wireless Communication Antenna Trailer, amending Section 20.08.1130 to require an Administrative Permit for a Wireless Communication Antenna Trailer, amending Section 20.08.1140 setting forth criteria for approval of an Administrative Permit for a Wireless Communication Antenna Trailer, amending Section 20.08.1160 setting forth conditions of approval of an Administrative permit for a Wireless Communication Antenna Trailer, setting a public hearing on December 3, 1996 at 1:30 p.m., and referring the ordinance to the Planning Commission for its recommendation and comments.
(Planning, Building and Code Enforcement)**

Documents Filed: Memorandum from Director of Planning, Building and Code Enforcement, Gary J. Schoennauer, dated October 4, 1996, recommending Council place on the October 22, 1996 Agenda the adoption of said resolution.

Discussion/Action: Resolution No. 66923, entitled: “A Resolution of the Council of the City of San José Initiating Proceedings On Its Own Motion to Amend Title 20 of the San José Municipal Code Section 20.08.1130 to Require an Administrative Permit for a Wireless Communication Antenna Trailer, Amending Section 20.08.1140 Setting Forth Criteria for Approval of an Administrative Permit for a Wireless Communication Antenna Trailer Amending Section 20.08.1160 Setting Forth Conditions of Approval of an Administrative Permit for a Wireless Communication Antenna Trailor, Setting a Public Hearing and Referring Said Ordinance to the Planning Commission”, was adopted. Vote: 11-0-0-0.

Plans and Specifications

- 6d(1) TRACT NO. 8826 - South side of Fowler Road, 1,500 feet east of Littleworth Way - Larwin Company, a California Corporation (Developer) - 14 single-family detached residential lots. Adoption of resolutions approving the plans, final map, contract, water main extension agreement, and approval of the parkland agreement for Tract No. 8826. CEQA: Resolution No. 63179. District 8.
(Public Works)**

Documents Filed: Memorandum from Director of Public Works, Ralph A. Qualls, Jr., dated October 15, 1996, recommending Council adopt said resolutions for Tract No. 8826.

Discussion/Action: Resolution No. 66924, entitled: “A Resolution of the Council of the City of San José Fixing Official Curb Grades and Position of Curbs, and Adopting

Plans For Tract No. 8826”; Resolution No. 66925, entitled: “A Resolution of the Council of the City of San José Approving and Accepting Final Map of Tract No. 8826”, Resolution No. 66926, entitled: “A Resolution of the Council of the City of San José Approving and Authorizing the Execution of Contract and Approving Bonds for the Improvement of Tract No. 8826”; and Resolution No. 66927, entitled: “A Resolution of the Council of the City of San José Approving and Authorizing the Execution of Agreement for the Water Main Extension, Tract No. 8826”, were adopted. Vote: 11-0-0-0.

- 6d(2) TRACT NO. 8837 - West side of Renaissance Drive, 900 feet north of Tasman Drive - FC Siena Associates (Developer) - 506 single-family detached residential lots. Adoption of resolutions approving the plans, final map, contract, bonds, and water main extension agreement for Tract No. 8837 (Siena at Renaissance Square). CEQA: Resolution No. 62537. District 4. (Public Works)**

Documents Filed: Memorandum from Director of Public Works, Ralph A. Qualls, Jr., dated October 15, 1996, recommending Council adopt said resolutions for Tract No. 8837.

Discussion/Action: Resolution No. 66928, entitled: “A Resolution of the Council of the City of San José Fixing Official Curb Grades and Position of Curbs, and Adopting Plans For Tract No. 8837”; Resolution No. 66929, entitled: “A Resolution of the Council of the City of San José Approving and Accepting Final Map of Tract No. 8837”, Resolution No. 66930, entitled: “A Resolution of the Council of the City of San José Approving and Authorizing the Execution of Contract and Approving Bonds for the Improvement of Tract No. 8837”; and Resolution No. 66931, entitled: “A Resolution of the Council of the City of San José Approving and Authorizing the Execution of Agreement for the Water Main Extension, Tract No. 8837”, were adopted. Vote: 11-0-0-0.

Contracts/Agreements

- 6e(1) Adoption of a resolution declaring a parcel of City-owned land surplus to the needs of the City, approving the agreement for sale of surplus City-owned property to Kaufman and Broad South Bay, Inc. in the amount of \$2,500, and authorizing the Director of Public Works to execute the necessary documents. CEQA: Resolution No. 61115. (Public Works)
[Deferred from 10/1/96 - Item 6e(6) and 10/8/96 - Item 6e(2)]**

Documents Filed: None.

Discussion/Action: This item was deferred to November 5, 1996.

- 6e(2) Approval of a first amendment to the consultant agreement with David J. Powers & Associates, Inc., for environmental analysis of various Airport projects, increasing the compensation by \$90,000, from \$50,000 to \$140,000. (Airport)**

Documents Filed: Memorandum from Director of Aviation, Ralph G. Tonseth, dated October 4, 1996, recommending Council approve said amendment.

Discussion/Action: The first amendment to the consultant agreement with David J. Powers & Associates, Inc., was approved and execution of the amendment authorized. Vote: 11-0-0-0.

- 6e(3) Adoption of a resolution authorizing the Director of Aviation to negotiate and execute an eighth amendment to the Airport Parking Administration and Revenue Control System (PARCS) agreement with Elsydel, Inc., providing for the installation of entry and exit lane equipment within the Westside Employee Parking Facility and related computer programming requirements at an additional cost not to exceed \$24,862.15. CEQA: Exempt. (Airport)**

Documents Filed: Memorandum from Director of Parks, Recreation and Neighborhood Services Ellis E. Mitchell, and Director of Aviation Ralph G. Tonseth, dated October 4, 1996, recommending Council approve the eighth amendment to said agreement with Elsydel, Inc.

Discussion/Action: Resolution No. 66932, entitled: "A Resolution of the Council of the City of San José Granting the Director of Aviation Authority to Negotiate and Execute an Eighth Amendment to Parking Administration and Revenue Control System Agreement With Elsydel, Inc., Providing for Installation of Exit and Entry Lanes at the Westside Employee Lot in an Amount Not to Exceed \$24,862.15", was adopted. Vote: 11-0-0-0.

- 6e(4) Approval of a continuation agreement with Economics Research Associates for a softball complex feasibility study at the Singleton Landfill site, extending the term of the agreement by four (4) months, from September 1, 1996 to December 31, 1996, at no additional cost to the City. (City Manager's Office)**

Documents Filed: Memorandum from Senior Deputy City Manager, Darrell Dearborn, dated October 4, 1996, recommending approval of said agreement with Economics Research Associates, at no additional cost to the City.

Discussion/Action: The continuation agreement with Economics Research Associates was approved and its execution authorized. Vote: 11-0-0-0.

- 6e(5) Approval of an agreement with the County of Santa Clara for payment of California Integrated Waste Management Board Used Oil grant funds for storm drain stenciling. (Environmental Services)**

Documents Filed: Memorandum from Director of Environmental Services, Louis N. Garcia, dated October 4, 1996, recommending Council approve said agreement.

Discussion/Action: The agreement with the County of Santa Clara was approved and its execution authorized. Vote: 11-0-0-0.

- 6e(6) Approval of a second amendment to the agreement with McCutchen, Doyle, Brown & Enerson for real estate legal services for the Federated City Employees Retirement System and the Police & Fire Department Retirement Plan, increasing the compensation by \$100,000, from \$162,000 to \$262,000. (Federated Police & Fire Retirement Boards)**

Documents Filed: Memorandum from Retirement Administrator, Edward F. Overton, dated October 4, 1996, recommending Council approve the amendment to said agreement with McCutchen, Doyle, Brown & Enerson.

Discussion/Action: The second amendment to the agreement with McCutchen, Doyle, Brown & Enerson was approved and its execution authorized. Vote: 11-0-0-0.

- 6e(7) Approval of a first amendment to the agreement with CGMS Incorporated for financial advisory services, increasing the compensation by \$5,000, from \$90,000 to \$95,000. (Finance)**

Documents Filed: Memorandum from Director of Finance, John V. Guthrie, dated October 4, 1996, recommending Council approve the amendment to said agreement with CGMS Incorporated.

Discussion/Action: The first amendment to the agreement with CGMS Incorporated was approved and its execution authorized. Vote: 11-0-0-0.

- 6e(8) Report on proposals and authorization for the Director of General Services to negotiate on the open market for an agreement for an automated collections system for the Finance Department. (General Services)**

Documents Filed: Memorandum from Director of General Services, Ellis M. Jones Jr., dated October 4, 1996, recommending Council authorize the Director of General Services to negotiate on the open market for said agreement.

Discussion/Action: William J. Garbett spoke against the proposed action. The Director of General Services was authorized to negotiate on the open market for an agreement for an automated collections system. Vote: 11-0-0-0.

6e(9) Approval of award of open purchase orders for supplies, materials, equipment, and services for FY 1996-97 #7, and authorization for the Director of General Services to execute the purchase orders. (General Services)

Documents Filed: Memorandum from Director of General Services, Ellis M. Jones Jr., dated October 4, 1996, recommending Council award said open purchase orders list, and authorize the Director of General Services to execute the purchase orders.

Discussion/Action: The award of open purchase orders List No. 7 for FY 1996-97 was approved and execution of the purchase orders authorized. Vote: 11-0-0-0.

6e(10) Approval to reject all bids for the purchase of five (5) vehicles for the General Services/Fleet Management Division. (General Services)

Documents Filed: Memorandum from Director of General Services, Ellis M. Jones Jr., dated October 4, 1996, recommending Council reject all bids for the purchase of said vehicles.

Discussion/Action: The bids for the purchase of five vehicles were rejected and revisions and reissuance of bid documents authorized. Vote: 11-0-0-0.

6e(11) Approval of an amendment to the agreement with U.S. Elevator Corp. for additional supplemental work, increasing the compensation by \$10,000, from \$10,000 to \$20,000, for a total contract amount of \$125,706.80. (General Services)

Documents Filed: Memorandum from Director of General Services, Ellis M. Jones Jr., dated October 4, 1996, recommending Council approve the amendment to said agreement with U.S. Elevator Corp.

Discussion/Action: The amendment to the agreement with U.S. Elevator Corp. was approved and its execution authorized. Vote: 11-0-0-0.

6e(12) Approval of an agreement with the County of Santa Clara to provide a nutrition and services program for senior citizens, for the period July 1, 1996 to June 30, 1997, with reimbursement to the City for actual costs not to exceed \$523,783. (Parks, Recreation and Neighborhood Services)

Documents Filed: Memorandum from Director of Parks, Recreation and Neighborhood Services Ellis E. Mitchell, dated October 4, 1996, recommending Council approve said agreement with the County of Santa Clara.

Discussion/Action: The agreement with the County of Santa Clara was approved and its execution authorized. Vote: 11-0-0-0.

- 6e(13) Adoption of a resolution authorizing the City Manager to negotiate and execute an agreement with the Community Foundation of Santa Clara County to administer the Community Action and Pride (CAP) Grant Program for the period November 1, 1996 to January 31, 1998, in the amount of \$300,000, with an administrative fee of \$15,000. (Parks, Recreation and Neighborhood Services)**

Documents Filed: Memorandum from Director of Parks, Recreation and Neighborhood Services Ellis E. Mitchell, dated October 4, 1996, recommending Council adopt said resolution.

Discussion/Action: Resolution No. 66933, entitled: “A Resolution of the Council of the City of San José Delegating to the City Manager the Authority to Negotiate and Execute an Agreement With the Community Foundation of Santa Clara County to Administer the Fall 1996 Cycle of the Community Action and Pride Grant Program in an Amount Not to Exceed \$300,000”, was adopted. Vote: 11-0-0-0.

- 6e(14) Approval of an agreement with Hisayo Kitahara for the purchase of a parcel of land for the King/Las Plumas Street Improvement Project in an amount not to exceed \$15,222, and adoption of a resolution authorizing the Director of Public Works to sign the Certificate of Acceptance. CEQA: ND. (Public Works)**

Documents Filed: Memorandum from Director of Public Works, Ralph A. Qualls, Jr., dated October 4, 1996, recommending Council approve the agreement with Hisayo Kitahara for said purchase.

Discussion/Action: Resolution No. 66934, entitled: “A Resolution of the Council of the City of San José Authorizing the Director of Public Works to Execute a Certificate of Acceptance in Connection With the Purchase of Real Property From Hisayo Kitahara for the King/Las Plumas Street Improvement Project”, was adopted. Vote: 11-0-0-0.

- 6e(15) Adoption of a resolution accepting a dedication of right-of-way, on the south side of Manila Drive, east of Camino Verde Drive, from the County of Santa Clara for the purpose of construction of street improvements, and authorizing the Director of Public Works, or designee, to accept the Grant Deed on behalf of the City. CEQA: ND. (Public Works)**

Documents Filed: Memorandum from Director of Public Works, Ralph A. Qualls, Jr., dated October 4, 1996, recommending Council approve a dedication from the County of Santa Clara for the purpose of street improvements, and authorize the Director of Public Works to accept the Grant Deed on behalf of the City.

Discussion/Action: Resolution No. 66935, entitled: "A Resolution of the Council of the City of San José Accepting a Dedication of Land From the County of Santa Clara for Street Improvements", was adopted. Vote: 11-0-0-0.

6e(16) Report on bids and award of contract for the Los Alamitos Creek Trail Extension Project to the low bidder, Collishaw Construction, Inc., to include the Base Bid and Add Alternate No. 1, in the amount of \$101,575, and approval of a contingency in the amount of \$10,000. CEQA: Exempt. (Public Works)

Documents Filed: Memorandum from Director of Public Works, Ralph A. Qualls, Jr., dated October 4, 1996, recommending Council award said contract to the low bidder.

Discussion/Action: The award of contract to Collishaw Construction, Inc., the low bidder, was approved and execution of the contract authorized. Vote: 11-0-0-0.

6e(17) (a) Approval of revised allocation of Housing Opportunity for Persons with AIDS (HOPWA) Funds.
(b) Adoption of a resolution authorizing the City Manager to negotiate and execute a grant agreement with AIDS Resources, Information and Services, Inc. (ARIS) in the amount of \$202,390 and Visiting Nurse Association, Inc. (VNA) in the amount of \$278,970.

(Housing)

(Rules Committee referral 10/16/96)

Documents Filed: Memorandum from Director of Housing, Alex Sanchez, dated October 15, 1996, recommending Council approve said HOPWA allocation and adopt said resolution.

Discussion/Action: The revised allocation of funds was approved and Resolution No. 66936, entitled: "A Resolution of the Council of the City of San José Authorizing the City Manager to Negotiate and Execute a Grant Agreement With Aids Resources, Information and Services, Inc. (ARIS), in the Amount of \$202,390 and Visiting Nurse Association, Inc. (VNA) in the Amount of \$278,970", was adopted. Vote: 11-0-0-0.

Routine Legislation

- 6f(1) Adoption of a resolution authorizing the reorganization of territory designated as Parker No. 20, which involves the annexation to the City of San José of 1.13 acres of land, located at the south side of Camden Avenue, approximately 210 feet westerly of Union Avenue, and the detachment of the same from the Central Fire District and Santa Clara County Library Service Area. CEQA: Exempt. (Planning, Building and Code Enforcement)
[Deferred from 10/8/96 - Item 6f(4)]**

Documents Filed: Memorandum from Director of Planning, Building and Code Enforcement, Gary J. Schoennauer, dated October 4, 1996, recommending Council adopt said resolution.

Discussion/Action: Resolution No. 66937, entitled: “Resolution of the Council of the City of San José Ordering the Reorganization of Certain Uninhabited Territory Designated as Parker No. 20 Subject to Liability for General Indebtedness of the City”, was adopted. Vote: 11-0-0-0.

- 6f(2) Adoption of an appropriation ordinance amendment to establish an appropriation of \$300,000 within the Storm Drain Capital Fund to remove storm water pollutants from public roads, to be offset by a reduction in the Storm Drainage Services Use Charge Fund. (City Manager’s Office)**

Documents Filed: None.

Discussion/Action: This item was deferred to October 29, 1996.

- 6f(3) Adoption of a resolution authorizing the Director of General Services to execute all documents necessary for the donation of a fire truck valued at \$1,800 to the National Institute of Emergency Vehicle Safety, Inc. (General Services)**

Documents Filed: Memorandum from Director of General Services, Ellis M. Jones Jr., dated October 4, 1996, recommending Council adopt said resolution.

Discussion/Action: Resolution No. 66938, entitled: “A Resolution of the Council of the City of San José Approving the Donation of a Fire Truck to the National Institute of Emergency Vehicle Safety”, was adopted. Vote: 11-0-0-0.

- 6f(4) Appointment of Mr. Kelvin Peters to the Board of Directors of the San José Arena Authority. (Mayor)**

Documents Filed: None.

Discussion/Action: The appointment of Kelvin Peters to the Board of Directors of the San José Arena Authority was approved. Vote: 11-0-0-0.

- 6f(5) Adoption of a resolution authorizing the City Manager to submit an application to the State Office of Criminal Justice Planning for continuation of grant funding for the Safe Alternatives and Violence Education (SAVE) Program, in an amount not to exceed \$66,679, to accept the grant if awarded, and to execute all related documents. (Police)**

Documents Filed: Memorandum from Chief of Police, Louis A. Cobarruviaz, dated October 4, 1996, recommending Council adopt said resolution.

Discussion/Action: Council Member Fernandes reiterated the successful intervention of the SAVE program, and pointed out that the program provides instruction to youth and their parents where youth have been found in possession of a weapon on or near a school campus. She endorsed the proposed action and urged Council to support the necessary documentation required by the State Office of Criminal Justice Planning. Resolution No. 66939, entitled: "A Resolution of the Council of the City of San José Authorizing the City Manager to Execute and Submit an Application to the State of California Office of Criminal Justice Planning for a 1996-97 Grant for the Safe Alternatives and Violence Education Program in an Amount Not to Exceed \$66,679, to Accept the Grant If Awarded, and to Execute All Related Documents", was adopted. Vote: 11-0-0-0.

END OF CONSENT CALENDAR

Mayor Hammer welcomed to the afternoon session of the City Council several students from Mitty High School and San José State University and asked them to stand to be recognized.

COMMISSION, COMMITTEE, AND STANDING REPORTS

7b Report of the Rules Committee - October 9, 1996

Documents Filed: Rules Committee Report of October 9, 1996.

- (1) Review October 22 Council Agenda

The Committee recommended approval of the October 22, 1996 Council Agenda with two additions and two changes.

- (2) Add New Items to October 15 Amended Council Agenda

This item was dropped. The meeting was cancelled.

- (3) The Public Record. Attachment: Memorandum from City Clerk, Patricia L. O’Hearn, dated October 3, 1996, listing the items transmitted to the Administration and the items filed for the Public Record for the period September 25-October 1, 1996. (2) Memorandum from Assistant to the City Manager, Nina S. Grayson, dated 1996, summarizing the actions taken on items transmitted to the Administration and the items filed for the Public Record for the period September 25-October 1, 1996.

The Committee noted and filed the Public Record for the period September 25 through October 1, 1996.

- (4) (a) Approve changes to City Council Agenda Process
(b) Review and discuss Council Policy No. 0-12 – Council Referral Process. Attachments: (1) Memorandum from Assistant to the City Manager, Nina S. Grayson, dated September 19, 1996, recommending approval of the changes to the City Council Agenda Process. (2) Memorandum from Assistant to the City Manager, Nina S. Grayson, dated September 19, 1996, recommending acceptance of the status report on Council Policy No. 0-12 – Council Referral Process.

The Committee approved the changes to the City Council Agenda process and accepted the status report on Council Policy No. 0-12 – Council Referral Process.

- (5) Request to use Council General Funds to attend National League of Cities’ Congress of Cities in San Antonio, Texas, December 6-11, 1996. Attachments: (1) Memorandum from Council Member Woody, dated October 3, 1996, requesting authorization for use of Council General Funds to attend the National League of Cities Congress of Cities in San Antonio, TX. (2) Memorandum from City Clerk, Patricia L. O’Hearn, dated October 4, 1996, complying with City Council Policy 9-5 requirement when requests to use Council General Funds are considered by the Rules Committee.

The Committee recommended approval for Council Member Woody to attend the National League of Cities’ Congress of Cities, December 6-11, 1996 in San Antonio, Texas.

- (6) Council Referrals for Assignment to Appropriate Committee, Administration, or Council Appointee

None presented.

- (7) City Council and Rules Committee meeting schedules

None presented.

- (8) Oral communications

None presented.

- (9) Adjournment

The meeting was adjourned at 3:06 p.m.

Discussion/Action: Upon motion by Vice Mayor Johnson, seconded by Council Member Diaz and unanimously carried the Rules Committee Report and actions of October 9, 1996 were accepted. Vote: 11-0-0-0.

7c Report of the Housing and Community Services Committee - October 7, 1996

Documents Filed: The Housing and Community Services Committee Report of October 7, 1996.

- (1) Discussion of the Policy to Disperse Affordable Housing/Impacted Districts

The Committee continued this item to November 4, 1996 meeting of the Housing and Community Services Committee

- (2) Status Report on Neighborhood Revitalization Strategy

The Committee continued this item to November 4, 1996 meeting of the Housing and Community Services Committee.

- (3) Annual Report on Library Usage. Memorandum from Acting City Librarian, Thompson R. Cummins, dated September 24, 1996, transmitting to Council the update on the level of public service performed by the San José Public Library during FY 1995-96.

The Committee recommended approval of the annual report with direction to Staff to prepare an information memorandum to the City Council regarding the number of cards issued per branch library.

- (4) San José Art League Appeal for Funding. Attachment: Memorandum from Acting Director of Conventions, Arts and Entertainment, Nancy Johnson, dated September 25, 1996, recommending the Committee accept the Arts Commission recommendation to deny the San José Art League's appeal to restore funding for a 1996-97 Operating Grant as a Developing Arts Organization.

The Committee recommended acceptance of the staff recommendation to deny the Art League's appeal to restore funding for a 1996-97 Operating Grant.

- (5) Acceptance of Cultural Plan Status Report. Memorandum from Acting Director of Conventions, Arts and Entertainment, Nancy Johnson, dated September 18, 1996, recommending the Committee accept the status report on the Cultural Plan.

The Committee recommended acceptance of the status report.

- (6) Oral petitions

None presented.

- (7) Adjournment

The meeting was adjourned at 2:15 p.m.

Discussion/Action: Upon motion by Council Member Powers, seconded by Council Member Shirakawa, Jr., and unanimously carried, the Housing and Community Services Committee Report and actions of October 7, 1996 were accepted. Vote: 11-0-0.

7d Report of the Finance Committee - Special Meeting of October 2, 1996

Documents Filed: None.

- (1) Oral petitions
- (2) Staff Presentations and Discussion on the Feasibility of the Sale of the Municipal Water System
 - (a) Environmental Services Department Report and Presentation
 - (b) Auditor's Report and Presentation
 - (c) Administration's Response to Auditor
 - (d) Public Speakers
 - (e) Committee Questions and Answers
See Item 9a for Council action to be taken.
- (3) Committee schedule

Discussion/Action: This item was deferred to October 29, 1996.

Documents Filed: Finance Committee Report of October 9, 1996.

- (1) Oral petitions

None presented.

- (2) Monthly Investment Report for August 1996. Attachment: Memorandum from Director of Finance, John V. Guthrie, dated September 19, 1996, transmitting

to Committee the August 1996 Investment Report, prepared by the Finance Department, Treasury Division.

The Committee recommended acceptance of the monthly report.

- (3) Monthly Financial Report for August 1996. Attachment: Memorandum from Budget Director, Larry D. Lisenbee, dated September 25, 1996, transmitting the August 1996 monthly Financial Report jointly prepared by the City Manager's Budget Office and the Finance Department.

The Committee recommended acceptance of the monthly report.

- (4) Monthly Auditor's Report for August 1996. Attachment: Letter from City Auditor, Gerald A. Silva, dated October 4, 1996, submitting a written report of the Office of the City Auditor's activities for the month of August 1996.

The Committee noted and filed the report.

- (5) Quarterly Audit Follow-up Report.

The Committee deferred this item to October 23, 1996 meeting of the Finance Committee.

- (6) Semi-Annual Report on Repair and Maintenance of Fire Fleet. Attachments: Memoranda from Director of General Services, Ellis M. Jones Jr., dated August 30, 1996 and September 30, 1996, reporting on the third and fourth quarter of FY 1995-96.

The Committee recommended acceptance of the report.

- (7) Report on Risk Assessment and Options for Financing the Police AIS Project. Attachments: Memorandum from Deputy City Manager Mark Linder, and Director of Finance John V. Guthrie, dated October 4, 1996, transmitting to Committee the *Automated Information Systems (AIS) Risk Assessment*" report dated October 1996 prepared by Deloitte Touche Tohmatsu, International, and recommending the Finance Committee direct that the Administration proceed with project planning incorporating the recommendations made by the consultants as appropriate, and direct that the Administration prepare a financing plan incorporating the use of currently identified resources of \$2.5 million, use of leasing financing along with a contribution of cash from the General Fund Sources to be reported back to Council at the conclusion of the negotiations with TRW, but no later than the FY 1996 Mid-year Budget Review.

The Committee recommended acceptance of the Staff recommendations with request for a 30-day to 60-day turn-around on the contract.

Discussion/Action: See Item 9f for Council action taken.

- (8) Committee schedule

The next meeting will be October 23, 1996 at 9:30 a.m.

Discussion/Action: Upon motion by Council Member Woody, seconded by Vice Mayor Johnson and unanimously carried, the Finance Committee Report and actions of October 9, 1996 were accepted with Item 7d(2)(g) acted upon at Item 9f.

Vote: 11-0-0-0.

**7e Report of the Transportation, Development, and Environment Committee -
October 10, 1996**

Documents Filed: Transportation, Development, and Environment Committee Report of October 10, 1996

- (1) Consent Calendar. Attachments: (1) Vasona Light Rail Corridor status report for September 1996. (2) Status Report on Highway 237 Ramp Metering.
(a) Status Report on Vasona Light Rail Transit Corridor
(b) Status Report on Highway 237 Ramp Metering

The Committee recommended approval of the Consent Calendar items.

- (2) Parking Advisory Commission Quarterly Report. Memorandum from Chair of the Parking Advisory Commission, B. Dennis Hickey, dated October 10, 1996, recommending that the Validation Program be continued for an additional year.

The Committee recommended acceptance of the report.

- (3) Quarterly Status Report on South Bay Water Recycle Program. Attachment: Memorandum from Director of Environmental Services, Louis N. Garcia, dated September 20, 1996, recommending approval of the Third Quarter 1996 Status Report for the South Bay Water Recycling Program.

The Committee recommended acceptance of the Staff report.

- (4) Report and Recommendation on the Location of Tattoo Parlors. Attachment: Memorandum from Director of Planning, Building and Code Enforcement, Gary J. Schoennauer, dated October 3, 1996, recommending the TD&E Committee review the information on tattoo parlors, and based on that information, forward a recommendation to the City Council advising no change in the present Zoning Code requirements for tattoo parlors.

The Committee recommended acceptance of the report with direction to Staff to review the Tattoo Parlor location restrictions and to identify and include in the zoning code update other uses that would be appropriate to discourage next to or prohibit within so many feet of school sites.

- (5) Report on Status of Proposal for Automatic Public Toilets. Attachments: (1) Memorandum from Council Member Pandori, dated October 9, 1996, recommending the TD&E Committee (a) approve the Staff recommendation to reject all proposals received in response to the RFP regarding Automatic Public Toilets; (b) direct City and Redevelopment Agency Staff to negotiate with JCDecaux on a lease/purchase option with maintenance for up to six automatic public toilets and report back to the Committee with a recommendation; and (c) direct City Staff to work with other Santa Clara County cities to determine if they are interested in participating in the establishment of automatic public toilets. (2) Memorandum from Director of Public Works, Ralph A. Qualls, Jr., dated October 1, 1996, recommending the TD&E Committee recommend to the City Council rejection of all proposals for the Automatic Public Toilet Program. (3) Memorandum from Executive Director, Frank M. Taylor, dated October 9, 1996, stating the Redevelopment Agency Board would like to explore with the City Staff the alternative of leasing automatic public toilets for both the downtown and the Guadalupe River Park.

The Committee recommended approval of recommendations from City Staff and Council Member Pandori.

Discussion/Action: See Item 9h for Council action taken.

- (6) Supplemental Report and Recommendations on California High Speed Rail Study. Attachments: (1) Memorandum from Director of Public Works, Ralph A. Qualls, Jr., dated September 26, 1996, recommending (a) adoption of a position in support of direct high speed rail connection with San José to include modified Altamont Pass alignment; and (b) to refer to the October 15, 1996 City Council Agenda consideration of the Council position on the High Speed Rail Study prior to the October 22, 1996 public hearing. (2) Draft of the High-Speed Rail Summary Report and 20-Year Action Plan, dated August 1, 1996 and prepared by Cambridge Systematics, Inc.

The Committee recommended acceptance of the report and the Study recommendations on the high-speed rail.

- (7) Oral petitions

None presented.

- (8) Adjournment

The meeting was adjourned at 2:55 p.m.

Discussion/Action: Upon motion by Council Member Fernandes, seconded by Council Member Powers and unanimously carried, the Transportation, Development, and Environment Committee Report and actions of October 10, 1996 were accepted with Item 7e(5) acted upon at Item 9h. Vote: 11-0-0-0.

LAND USE AND DEVELOPMENT

- 8a PUBLIC HEARING on the designation of the Antioch Baptist Church site located at 268 East Julian Street for consideration as a landmark of special historic, architectural, cultural, aesthetic, or engineering interest or value of a historic nature. CEQA: Exempt. (Planning, Building and Code Enforcement)**

Documents Filed: (1) Memorandum from Gary J. Schoennauer, Secretary, Historic Landmarks Commission, dated October 4, 1996, recommending Council adopt a resolution designating the Antioch Baptist Church buildings and site as City Historic Landmark No. HL 96-105. (2) Affidavit of Posting of Resolution No. 66865 initiating proceedings designating Antioch Baptist Church as a Historic Landmark, dated September 24, 1996. (3) Affidavit of Mailing of the Notice of Public Hearing, dated September 20, 1996. (4) Affidavits of Mailing and Routing of Resolution No. 66940 designating Antioch Baptist Church buildings and site as a Historic Landmark, dated October 31, 1996. (5) Notice of Public Hearings on the Proposed Designation of the Antioch Baptist Church as a Historic Landmark in the City of San José, dated September, 16, 1996, and Proof of Publication submitted by the City Clerk.

Discussion/Action: Mayor Hammer opened the public hearing on the subject designation. The Reverend Floyd Thompson, Pastor of Antioch Baptist Church, spoke in support of the designation. Upon motion by Council Member Woody, seconded by Council Member Dando and unanimously carried, the public hearing was closed and Resolution No. 66940, entitled: "Resolution of the Council of the City of San José Designating, Pursuant to the Provisions of Chapter 13.48 of Title 13 of the San José Municipal Code, the Antioch Baptist Church Building and Site as a Landmark of Special Historical, Architectural, Cultural, Aesthetic or Engineering Interest or Value of a Historic Nature", was adopted. Vote: 11-0-0-0.

- 8b PUBLIC HEARING and adoption of a resolution granting tentative approval of the cancellation of California Land Conservation (Williamson Act) Contract No. 71-163 (formerly Lands of Kruse, and now owned by Greenbriar Hillstone, Ltd. and the Roman Catholic Bishop of San José) for 19.45 acres of land located on the west side of San Felipe Road, opposite The Villages Parkway, APN 680-32-003. CEQA: ND. (Planning, Building and Code Enforcement)**

Documents Filed: None.

Discussion/Action: This item was deferred to October 29, 1996.

- 8c**
- (1) Approval of the design of a plaque for display on City Landmarks.**
 - (2) Referral to the FY 1997-98 Budget Process a one-time cost of \$10,000 to manufacture plaques for display on privately and publicly owned City Landmarks.**
- (Historic Landmarks Commission)**

Documents Filed: Memorandum from Secretary of the Historic Landmarks Commission, Gary J. Schoennauer, dated October 4, 1996, recommending Council (a) approve the design of a plaque for display on City Landmarks, and (b) refer to the Budget Process a one-time cost to manufacture plaques for display on privately and publicly owned City Landmarks.

Discussion/Action: Noting his support of the design and displaying of plaques on designated historic buildings, Council Member Pandori pointed out the minimal cost involved, stated the expenditure to manufacture the plaques should not be referred to the Budget Process, but that Council should direct the Administration to fund the entire one-time cost to manufacture and display the plaques, and to do so prior to year end. Upon motion by Council Member Fernandes, seconded by Council Member Fernandes and unanimously carried, the plaque design for display on City Landmarks was approved and the City Manager authorized to appropriate the total cost of the plaques based on the Historic Landmarks Commission recommendation. Vote: 11-0-0-0.

GENERAL GOVERNMENT

- 9a Report on the sale of the Municipal Water System.
[Finance Committee referral 10/2/96 - Item 7d(2)]**

Documents Filed: None.

Discussion/Action: This item was deferred to October 29, 1996.

- 9b**
- (1) Approval of the City Manager's 1995-96 Annual Report on Finance and Administrative Activities of the City of San José.**
 - (2) Approval of appropriation ordinance and funding sources resolution amendments in various funds necessary to implement FY 1995-96 Annual Report recommendations.**
- (City Manager's Office)**

Documents Filed: (1) 1995-96 Annual Report summarizing and analyzing the financial performance of the City, submitted by the Office of the City Manager, September 1996. (2) Memorandum from Budget Director, Larry D. Lisenbee, dated October 6, 1996,

recommending Council approve the City Manager's Annual Report and adopt said appropriation ordinance and funding source resolution.

Discussion/Action: Upon motion by Council Member Fiscalini, seconded by Council Member Dando and unanimously carried, the City Manager's 1995-96 annual report on finance and administrative activities of the City of San José was approved and Ordinance No. 25177, entitled: "An Ordinance of the City of San Jose Amending Ordinance No. 25131 Which Appropriates Moneys in Various Funds in the Total Amount of \$17,999,522 to Implement the City Manager's 1995-96 Annual Report Recommendations; and Providing That This Ordinance Shall Become Effective Immediately Upon Adoption", and Resolution No. 66941, entitled: "A Resolution of the Council of the City of San José Amending Resolution No. 66717 Setting Forth the Estimated Sources of Funds for the Fiscal Year 1996-976 to Adjust Revenues in Various Funds", were adopted. Vote: 11-0-0-0.

**9c Approval of evaluation of 1995 reorganization of City services related to parks, code enforcement and City-wide communications.
(City Manager's Office)**

Documents Filed: Letter from Chairperson Linda Herschbach, Parks & Recreation Commission, dated October 7, 1996, informing Council of the Commission's acceptance of the report as submitted.

Discussion/Action: William J. Garbett spoke against the proposed action. City Manager, Regina V.K. Williams, summarized background information regarding reorganization of functions related to the management and maintenance of neighborhood parks, the maintenance and programming of certain regional park facilities, and the provision of code enforcement services; in addition, a city-wide communications plan was developed to include the establishment of a new Public Education and Community Outreach position. She stated the primary objectives of the recommendations were to enhance services without wholesale or unnecessary organizational changes, to meet the requirements of Measure E, to address the concerns of all stakeholders, and not increase General Fund costs, and affected six City departments—Parks, Recreation and Neighborhood Services; Conventions, Arts and Entertainment; General Services; Streets and Traffic; Planning, Building and Code Enforcement; and the City Manager's Office. She stated the Report identifies and analyzes five specific recommendations and provides the first annual evaluation of the organizational changes. She stated the full implementation of the recommendations has taken longer to realize than most other elements of the reorganization, however, results of the changes are evident in improved productivity and tracking of maintenance resources. She stated parks maintenance remains an issue because of the need for increased resources to make improvements in City parks, and subsequently should be referred to Committee for further discussion. Upon motion by Council Member Powers, seconded by Council Member Diaz and unanimously carried, the evaluation of 1995 reorganization of City services related to parks, code enforcement and City-wide

communications was approved and the parks maintenance portion of the report referred to the Housing and Community Services Committee. Vote: 11-0-0-0.

- 9d**
- (1) Report on bids and award of contract for the San José Arena Multi-purpose Room Project to the low bidder, Eddie Torrez Construction Company, Inc., for the Base Bid and Add Alternate Nos. 1 and 2 in the amount of \$218,490, and approval of a contingency in the amount of \$40,000. CEQA: Exempt. (Public Works**
 - (2) Adoption of appropriation ordinance and funding sources resolution amendments in the amount of \$515,774 in the City-side Redevelopment Capital Fund for various Capital Projects. (City Manager's Office)**

Documents Filed: (1) Supplemental memorandum from Director of Public Works, Ralph A. Qualls, Jr., dated October 17, 1996, recommending Council award said contract to Eddie Torrez Construction Company, Inc., the low bidder. (2) Memorandum from Director of Public Works, Ralph A. Qualls, Jr., dated October 4, 1996, recommending Council award said contract to the low bidder. (2) Memorandum from Budget Director, Larry D. Lisenbee, dated October 4, 1996, recommending Council approve said appropriation ordinance and funding sources resolution amendments in the City-Side Redevelopment Capital Fund.

Discussion/Action: Upon motion by Council Member Fiscalini, seconded by Vice Mayor Johnson and unanimously carried, the award of contract to the Eddie Torrez Construction Company, Inc., was approved and execution of the contract authorized; Ordinance No. 25178, entitled: "An Ordinance of the City of San José Amending Ordinance No. 25131 Which Appropriates Moneys in the Services for Redevelopment Capital Projects Fund in the Amount of \$515,774 for Various Capital Projects; and Providing That This Ordinance Shall Become Effective Immediately Upon Adoption"; and Resolution No. 66942, entitled: "A Resolution of the Council of the City of San José Amending Resolution No. 66717 Setting Forth the Estimated Sources of Funds for the Fiscal Year 1996-97 to Adjust Revenues in the Services for Redevelopment Capital Projects Fund", were adopted. Vote: 11-0-0-0.

- 9e Approval of the final design of the Tasman West Light Rail Project arts projects and design enhancements for the Champion Station. (Fernandes)**

Documents Filed: Memorandum from Council Member Fernandes, dated October 17, 1996, recommending Council approve the final design of the Public Art for the Champion Station on the Tasman Light Rail Line.

Discussion/Action: Council Member Fernandes stated the goals of the public art program initiated by the Santa Clara Valley Transportation Authority attempt to design public transit in a way that invites as many riders as possible, to enhance the aesthetics of the Tasman Line to reflect the communities that the light rail will service, and to create community art projects that are cost effective by having artists work as a part of

the design team to integrate aesthetics wherever possible. She stated the Tasman Policy Advisory Board established the Aesthetics Subcommittee with representatives from each of the cities along the Tasman East and West lines. As a Transportation Authority Board member and Chair of the Aesthetics Committee, she stated the art and design enhancements were approved by the Aesthetics Subcommittee, the Tasman Policy Advisory Board, the City's Art in Public Places Committee, and the Arts Commission, to accomplish the goals of the program. She stated the Champion Station in San José will be the first station built on the new Tasman line which will connect the existing Guadalupe Line to the City of Mountain View and reflects the cooperation among the cities of Santa Clara Valley and the private sector. She introduced Lead Project Artist, Jack Mackie, who presented an overview of the design changes to be implemented at the Champion Station on the Tasman Light Rail Line and completed by the March 1997 opening date; and local artist Deborah Kennedy who reviewed the unique art project and design enhancements based on symbols from contemporary and historic cultures related to clean technology, alternative energy, and systems theory. Council Member Pandori endorsed the aspect of private funding for the project but expressed concern that Council is circumventing the public art process by approving the art design. He stated the responsibility for project approval is within the jurisdiction of the Arts Commission. Regarding project funding, he stated the subject art project should be entirely funded by the Transportation Authority. As a point of clarification, Mayor Hammer stated the Santa Clara Valley Transportation Authority initiated in 1994 a Public Art program with goals to be incorporated into the design of the Tasman Light Rail Line, which does not affect the City's Art in Public Places process. Upon motion by Council Member Fernandes, seconded by Vice Mayor Johnson and carried, the final design of the Tasman West Light Rail Project arts projects and design enhancements for the Champion Station was approved. Vote: 9-2-0-0. Noes: Dando, Pandori.

**9f Report on Risk Assessment and Options for Financing the Police AIS Project.
[Finance Committee referral 10/9/96 - Item 7d(2)(g)]**

Documents Filed: Supplemental memorandum from City Manager, Regina V.K. Williams, dated October 21, 1996, summarizing advising Council of the actions taken on the Police AIS contract negotiations.

Discussion/Action: City Manager, Regina V.K. Williams, stated the Administration presented to the Finance Committee early in 1996 several comprehensive reports on various aspects of the Automated Information Systems and options for financing. She stated two areas of primary concern to the Administration will require constant scrutiny, namely, contract management and project management—contract management because of the magnitude and current cost of the project, and a formal project management structure to ensure strict adherence to a project schedule and payment schedule. She introduced Bruce Smith, an associate with Deloitte and Touche, who summarized the major findings of the Risk Analysis Assessment, as presented during the October 9, 1996 Finance Committee meeting. With the use of overhead transparencies, Bruce Smith identified the most critical and significant areas of potential risks to the overall success of the system implementation and

recommendations for mitigation of those risks, and pointed out the absence of a formal project management structure and organization. He stated the success of the project requires a true partnership between all involved parties—internal and external entities—and that the recommendations, if implemented, should finalize contract negotiations and proceed with the project. Yvonne Ryzak, representing TRW, introduced Jim Cossen, project manager; and speaking in support of the project, noted TRW's concern is that from submission of the 90-day bid in August 1995, TRW has expended in excess of \$750,000 in staff resources on the project, and can no longer contribute to the system reengineering expenditures. She urged Council to bring negotiations to a conclusion as quickly as possible to enable TRW support team to implement the next phase of the project. William J. Garbett spoke against the proposed action. As Chair of the Finance Committee, Council Member Woody presented a cursory review of the AIS report as submitted to the Finance Committee, and noted the Committee recommendation for acceptance of Staff recommendations with request for a 30-day to 60-day turn-around on the contract. She agreed with the urgency of the project and that timelines and cost effectiveness are essentials, however, the 30-day turnaround on a contract of this magnitude would be difficult. She urged Council to accept the Finance Committee recommendation, absent the arbitrary timeframe, and direct the Administration to proceed with project planning incorporating the recommendations made by the consultants as appropriate, and to prepare as financing plan incorporating the use of currently identified resources of \$2.5 million, use of leasing financing along with a contribution of cash from the General Fund Sources to be reported back to Council at the conclusion of the negotiations with TRW, but no later than the FY 1996-97 Mid-Year Budget Review. Speaking in support of the recommendation, Vice Mayor Johnson requested that City Staff retain a competent level of technical expertise to address unfinished computer changes. Mayor Hammer stated the City would be well served in recruiting a technical consultant to work with City Staff on the project and requested, as part of the recommendation, direction to the City Manager to proceed with the recruitment as a top priority. Speaking in support of the recommendation, Council Member Fiscalini offered as an amendment that the City Attorney should submit directly to the City Council all progress reports on the project. Regarding cost implications, he stated the vendor should not be required to expend funds on the AIS project outside a negotiated and fully executed contract, and that the City Manager and City Attorney should review the assertion. Upon motion by Council Member Woody, seconded by Council Member Fiscalini and unanimously carried, the Finance Committee recommendation to accept the report on risk assessment and options for financing the Police Automated Information System project was accepted, the discrepancy between the originally proposed and current proposed price of the system and the level of participation by the vendor regarding funding adjustments was referred to the Administration and the City Attorney for review and recommendation to Council, the Administration directed to recruit a full-time project manager with prior experience managing computer system implementations on this scale to work with City Staff, and the City Attorney directed to submit to Council periodic reports on the overall progress of the project. Vote: 11-0-0-0.

9g Adoption of a resolution calling upon the Attorney General of the United States to request the appointment of a Special Counsel to investigate allegations that the Central Intelligence Agency through its association with the Nicaraguan Contras facilitated the importation of drugs into the United States. (Woody)

Documents Filed: Memorandum from Chair Craig A. Mann, Human Rights Commission, dated October 22, 1996, urging Council to support the investigation of the alleged relationship between the CIA and the Contras and to send a letter supporting the efforts for full disclosure of the matter.

Discussion/Action: Director of Affirmative Action and Contract Compliance, Steven T. Wing, read into the public record the October 22, 1996 letter from the Human Rights Commission Chair, Craig A. Mann, urging the City Council to support the efforts of legislators to get full disclosure regarding alleged covert activities involving the CIA and the Contras. The following citizens spoke in support of Council support: Gail Ortega, representing South Bay Ministerial Alliance; Ron McPherson; John A. Vines, representing FDR Political Action Committee; Robert Rapp; Carl Davis, Jr., representing the South Bay Ministers Union in Association with the Coalition of Concerned Citizens; Clare King; and Mike Finley. Upon motion by Council Member Woody, seconded by Vice Mayor Johnson and unanimously carried, Resolution No. 66943, entitled: "A Resolution of the Council of the City of San José Calling Upon the Attorney General of the United States to Request the Appointment of a Special Counsel to Investigate Allegations That the Central Intelligence Agency Through Its Association With the Nicaraguan Contras Facilitated the Importation of Drugs Into the United States", was adopted. Vote: 11-0-0.

9h Report and discussion on the status of proposal for automatic public toilets. [Transportation, Development, and Environment Committee 10/10/96 - Item 7e(5)]

Documents Filed: See Transportation, Development, and Environment Committee Report of October 10, 1996, Item 7e(5).

Discussion/Action: Referencing his October 9, 1996 memorandum, Council Member Pandori reiterated the Transportation, Development, and Environment Committee recommendation to reject all proposals received in response to the RFP regarding Automatic Public Toilets, but recommended that negotiations with JCDecaux should be suspended on a lease/purchase option and that Staff initiate an RFP. He stated City Staff should contact the Transit Authority to ascertain the agency's level of participation in the establishment of automatic public toilets. Upon motion by Council Member Pandori, seconded by Council Member Diaz and unanimously carried, the Transportation, Development, and Environment Committee recommendation was approved as amended to (a) reject all proposals in response to the RFP regarding Automatic Public Toilets, (b) direct City and Redevelopment Agency Staff to initiate RFP process for lease/purchase option and report back to the Committee with a recommendation, and (c) to direct City Staff to work with other Santa Clara County

cities, including the Transportation Agency, to ensure realistic assessment of quotes.
Vote: 11-0-0-0.

Council Member Pandori left the Council Chambers at this point in the meeting.

**9i. Adoption of appropriation ordinance amendments and source resolution amendments to implement the clean-up and financing of the City of San José Employee Health Plan closure. (City Manager's Office/Human Resources)
(Rules Committee referral 10/16/96)**

Documents Filed: Memorandum from Director of Human Resources Nona Tobin, and Budget Director Larry D. Lisenbee, dated October 16, 1996, reporting on the status of the runout of the City of San José Employees' Health Plan and recommending actions that would eliminate, effective December, 1996, the lag premium component currently added to the participants' share of the replacement plan's premium.

Discussion/Action: Regarding the City of San José Employee's Health Plan and the lag premium component, Director of Human Resources, Nona Tobin, stated the runout originally estimated at \$4.0 million, is now estimated at \$2.8 million. She stated the recommendation is to apply \$300,000 of the previously appropriated General Fund loan to the runout costs, return \$700,000 to the General Fund loan to the Contingency Reserve, and retain \$125,000 as the 1996-97 reserve to be used for unanticipated claims. Upon motion by Council Member Dando, seconded by Vice Mayor Johnson and unanimously carried, Ordinance No. 25179, entitled: "An Ordinance of the City of San José Amending Ordinance No. 25131 Which Appropriates Moneys in the General Fund in the Amount of \$2,400,000 for City of San José Employees' Health Plan (CSJEHP) Runout Costs; and Providing That This Ordinance Shall Become Effective Immediately Upon Adoption"; and Resolution No. 66944, entitled: "A Resolution of the Council of the City of San José Amending Resolution No. 66717 Setting Forth the Estimated Sources of Funds for the Fiscal Year 1996-97 to Adjust Revenues in the General Fund", were adopted. Vote: 10-0-1-0. Absent: Pandori.

9j Adoption of a resolution:

- (1) Approving business terms for an acquisition and predevelopment loan of up to \$2,825,000 to JSM Enterprises, Inc., or its assignee, for the development of an affordable 92-unit family rental housing project on a 3.72 acre site located on North Capitol Avenue at Cropley Avenue.**
- (2) Authorizing the Director of Housing to negotiate and execute all necessary documents evidencing such loan on behalf of the City.**
- (3) Finding that the use of 20% Housing Funds for the project is of benefit to the City Redevelopment Project Areas.**

(Housing)

(Rules Committee referral 10/16/96)

- (4) Clyde Wright, representing Forest City, developer of “The Enclave”, advised Council that his firm would work with the Renaissance representatives to resolve concerns expressed by Mr. Turner. Council Member Fernandes to coordinate meeting with all parties involved.

ADJOURNMENT

The Council of the City of San José adjourned at 3:40 p.m. in memory of Randy Sato, senior winemaker for Canandaigua Wine Company, and brother of Norm Sato, City Attorney’s Office; and in memory of Yolanda “Lonnie” DeVincenzi, a San José volunteer in the Italian American Heritage Foundation and the San José Art League.

SUSAN HAMMER, MAYOR

ATTEST:

PATRICIA L. O’HEARN, CITY CLERK
RT