



Regular Meeting
Of the
San José
Transportation & Environment Committee
Held
September 17, 2007 at 9:00 A.M.

Roll Call

Present: Chair Forrest Williams; Vice Chair Sam Liccardo; Councilmember Judy Chirco;
Vice Mayor Dave Cortese

Guests: Mark Robinson, Deputy Director of VTA;
John Ristow, Programming & Project Development Deputy Director

Chair Forrest Williams opened the meeting by asking the Committee for a motion to defer items #1, 6, 11 and 12 that were recommended deferral by the Administration. Upon the motion of Vice Chair Sam Liccardo, and seconded by Councilmember Judy Chirco, the Committee voted to defer the items.

Staff requested that item #7 be heard first on the agenda. There were no objection from the Committee and that item was heard first.

1. **Report on Sewer Service & Use Charge Fund Financing Alternatives to Address Critical Infrastructure Needs (ESD/PW/DOT) – RECOMMENDED DEFERRAL TO OCTOBER**
2. **Report on Sewer Use Ordinance Revisions for Pretreatment Program (ESD)**

Environmental Service Department staff presented the status report on the industrial local discharge limits review and sewer use ordinance update. The Industrial Pretreatment Program regulates wastewater discharges to the San Jose/Santa Clara Water Pollution Control Plant (Plant). Local wastewater discharge limits are the primary tool used to regulate these discharges and are necessary to protect the sanitary collection system and operation of the plant. Following inspections by the US EPA in 2004, the City was required to improve the industrial pretreatment program. Staff was able to use the recently revised US EPA Local Limits Development Guidance to ensure that all expectations were met. In June 2007, the US EPA accepted the City's initial local limits report and recommended that the Regional Water Board approve the City's proposed local limits and authorized the City to proceed with its public hearing and adoption process. The Attorney's Office will return to Council in October 2007 with a draft ordinance amending Chapter 15.14 of the Municipal Code. In addition to the local limits of 17 pollutants of concern (POC), Municipal Code Chapter 15.14 also includes provisions that help enforce the federal pretreatment program requirements for definitions, regulations, and local discharge limits. Upon the motion of Vice Chair Sam Liccardo, and seconded by Vice Mayor Dave Cortese, the Committee voted to accept the report and have the City Attorney's Office make the changes to Chapter 15.14 of the Municipal Code.

3. **Report on Responsible Fleet Management Policy (GS)**

General Services staff presented report regarding implementation of the City's Green Fleet Policy. The City of San Jose manages a fleet of over 2,700 vehicles and heavy equipment items. In analyzing the City's fleet, it is estimated that the amount of Carbon Dioxide being produced annually has increased 20% since 1990. Carbon Dioxide is the greenhouse gas that contributes most significantly to global warming. The Mayor's March Budget message, approved by City Council March 20, 2007, included language to direct staff to develop a policy with regards to fleet acquisition. The Green Fleet Policy will be enacted as an Administrative Policy and incorporated into the City's Policy Manual. The policy contains, as its primary goal, decreasing total City Fleet emissions by 25% by fiscal year 2012-13. Staff will report on the progress towards their goal, as well as the percentage of Alternate Fuel Vehicles in the City's fleet on an annual basis to the Transportation and Environment Committee beginning in 2008. A member of the public, Marc Boyd, spoke on the item. Mr. Boyd wanted to thank the Committee for implementing the Green Fleet Policy. Mr. Boyd suggested that the City look into purchasing electric vehicles. Upon the motion of Vice Mayor Dave Cortese, and seconded by Vice Chair Sam Liccardo, the Committee voted to accept the report.

4. **Terminal Area Improvement Program Progress Report (AIRPORT/PW)**

Director of Aviation and Airport staff presented the Airport Capital Improvement Program Quarterly Report. In October 2006, Council approved a series of actions that resulted in implementation of the Terminal Area Improvement Program (TAIP). The TAIP is a part of phase one of the Airport's capital improvement program and includes the expansion and remodel of Terminal A, a new Terminal B, a temporary ticketing/baggage processing center for existing Terminal C, demolition of Terminal C in phases, extensive roadway improvements, public parking, and a Consolidated Rental Car Garage. At the time of award, staff committed to provide to Council a quarterly report including information on budget, schedule status, overall progress of the program and the use of the program reserve. This quarterly report focused on the budget and schedule for TAIP, the North Concourse and Terminal Equity Improvements Projects. Design of each of the projects are underway with the North Concourse steel erection at 85% complete. Upon the motion of Vice Mayor Dave Cortese, and seconded by Councilmember Judy Chirco, the Committee voted to accept the report.

5. **Proposed Amendment to the Airport Design Build Contract for the Consolidated Rental Garage (ConRAC) and Other Adjustments (AIRPORT/PW) – DEFERRED FROM SEPTEMBER**

Director of Aviation and Airport staff presented the report on recommendations to authorize the City Manager to negotiate and execute the following agreements:

- First amendment with Hensel Phelps Construction Company for the design and construction of the Airport Terminal Area Improvement Program (TAIP);
- On-Airport Rental Car Operations and Lease Agreements with current ON-Airport Rental Car Companies (RAC's) for operation at the ConRAC;
- On-Airport Rental Car Operations and Lease Agreements with companies not currently operating at the Airport for operations at the ConRAC;
- For customers renting vehicles from On-Airport Companies;
- For customers renting vehicles from Off-Airport Companies;

Staff also recommended in the report that the following Appropriation Ordinance Amendments in the Airport Revenue Bond Improvement Fund be adopted:

- Increase the Consolidated Rental Car Facility appropriation;
- Increase the Public Parking Garage appropriation;
- Decrease the Terminal Area Development, Phase I appropriation;
- Decrease the Ending Fund Balance.

Approval of the requested actions will provide budgetary, contractual, and revenue collection authority necessary to increase the size and scope of the Consolidated Rental Car Garage (Rental Car Facility) project element in the Airport's Terminal Area Improvement Program (TAIP). Approval of the requested actions will also make adjustments to the Design-Build Contract so that it can be more responsive to changes in program scope, schedule and budget challenges that have developed since it was approved almost one year ago. Upon the motion of Vice Chair Sam Liccardo, and seconded by Councilmember Judy Chirco, the Committee voted to accept the report and forward all of the recommendation to full Council for approval.

6. Report on Greenhouse Gas Reduction Goals Community Discussions (ESD) – RECOMMENDED DROP BY THE ADMINISTRATION

7. BART/VTA Coordination Issues (VTP 2035/Bus Service Realignment) Progress Report (DOT)

Department of Transportation staff and representatives from the Valley Transportation Authority (VTA) presented the quarterly report on various VTA projects and programs of interest to the City of San Jose. An overall progress report on the Bay Area Rapid Transit (BART) project was presented. Issues such as the Downtown portal location, Coyote Creek alignment, station design and area planning and construction education outreach program were highlighted. The two options for the Downtown portal locations that are being considered, are the Western Dental building and the Bank of America building. The Bank of America building is being considered as the preferred option. In the Mayor's Redevelopment Agency Budget Message, Mayor Reed would like to seek a partnership between the Redevelopment Agency, the VTA, and the Bank of America building owner to both renovate the building in a cost effective manner and create a distinctive downtown San Jose BART station. Mayor Reed recommends that the Agency staff begin discussions with the historic Bank of America building with the intent of acquiring the basement and first floor of the building for the purpose of preserving the building and assisting VTA with locating the main access portal for the Downtown San Jose BART station. Three options for the Coyote Creek Alignment are being considered, a deep tunnel, a northern offset and a southern offset. The southern offset is preferred by staff as the best option. Process on preferred direction for the Downtown portal location and the Coyote Creek Alignment will be presented to the full Council at their October 16th Council meeting. Upon the motion of Councilmember Judy Chirco, and seconded by, Vice Chair Sam Liccardo, the Committee voted to accept the report.

8. Report on Tree Preservation Services Recommendations (CMO/DOT/PBCE)

Department of Transportation and City Manager's Office staff presented the status report on tree preservation services review and activities. The City Manager's Office is working on a comprehensive review of tree-related services and regulations within the City and comparing them to those of other agencies. Since reporting on the tree preservation workplan at the June 4, 2007 Transportation and Environment Committee meeting, staff has proceeded with the following steps of the workplan:

- Heard from approximately 125 residents and key stakeholders on community concerns and comments on the City's tree related policy and services;
- Reviewed comments from the community and staff in order to develop a framework for potential strategies to be presented to community stakeholders;
- Formed interdepartmental teams to work on:
 - a comprehensive City guideline for planting and maintaining trees;
 - a more consistent and streamlined tree removal permit process for public and private trees located in single family residential areas;
 - a process for collection and distribution of in-lieu fee funds for planting trees;
 - a pilot program to remove and replace "nuisance" trees in neighborhoods;

- a street tree inventory, including a list of data to be collected and identification of the things needed for data collection by volunteers or staff;
- a review of best management practices of other agencies;
- collaboration with PG&E;
- state grant submittals for funding to enhance tree-related inventory, practices, constituent information/website, and outreach to better communicate with the citizens of San Jose.

A new round of community meetings have been scheduled to provide another opportunity to provide input, explain progress to date on proposal development and to continue efforts to improve the health and vitality of our urban forest. Upon the motion of Councilmember Judy Chirco, and seconded by Vice Chair Sam Liccardo, the Committee voted to accept the report.

9. Recycled Water and City of San Jose/Santa Clara County Water District Collaboration and Funding For Infrastructure (ESD) – DEFERRED FROM AUGUST

(a) Status Report on South Bay Water Recycling

Environment Services Department staff presented the report on status of South Bay Water Recycling (SBWR). SBWR is a recycled water distribution system consisting of 105 miles of pipeline, three reservoirs with a combined capacity of 9.5 million gallons, and four pump stations able to deliver 54 million gallons per day. The recycled water is produced by the San Jose/Santa Clara Water Pollution Control Plant (Plant), which is jointly owned by the cities of San Jose and Santa Clara and operated by the City of San Jose. On an annual basis, SBWR delivers about 10,000 acre-feet of water per year, representing a savings in drinking water equivalent to the amount used by 100,000 people. Highlighted in the report were Near- and Long-Term SBWR development and analysis of operating costs and revenues. Through this report, staff is seeking Council direction to further analyze how best to implement requirement for developer construction of recycled water pipeline extensions, including mechanisms for developer funding for extensions and other system improvements that will be needed in order to assure the ability to provide recycled water service to new development. During development of the proposal, staff will meet with stakeholders to provide the greatest degree of consensus consistent with achieving overall revenue goals. Staff will be reporting back to Council by April 2008, with proposals for consideration related to potential reductions in recycled water discounts, potential new classes of users, and financing mechanisms for pipeline extensions.

(b) Development of a Long-Term Cooperative Agreement with the Santa Clara Valley Water District For the South Bay Water Recycling Program

Environmental Services Department Staff presented the report development of a long-term cooperative agreement with the Santa Clara Valley Water District for the South Bay Water Recycling (SBWR) Program. Staff from both agencies have worked together to develop a set of principles to recommend as guidance for the development of a recycled water Cooperative agreement. These principles include:

- Agreement should reflect the mutual interest of the City and the District in expanding the use of recycled water.
- Agreement should support and enhance each agency's ability to carry out its mission.
- Agreement should establish a framework for both agencies to meet regularly to discuss and participate in planning for development of new recycled water treatment, major distribution facilities, the future allocation and use of recycled water treatment, major distribution facilities and the future allocation and use of recycled water.
- Agreement should provide for equal cost sharing by both agencies in the cost of operating and maintaining the SBWR program.
- Cost sharing on future capital expansion will be negotiated on a project by project basis.
- Agreement should reflect the City and District in a long-term, stable, cooperative relationship.

- Preferred location for environmental review and engineering design should be Treatment Plant lands located near the SBWR Transmission Pumping and review and design should be for an advanced water treatment facility that is sized to provide treatment sufficient to meet future waster quality goals and to support flexible operation of treatment plant processes.

Upon the motion of Vice Chair Sam Liccardo, and seconded by Councilmember Judy Chirco, the Committee voted to accept both reports, 9a and 9b, and forward to the full Council consideration to adopt a resolution authorizing the City Manager to negotiate and execute a new “South Bay Water Recycling Reimbursement Agreement for Development and Utilization of Recycled Water between the Santa Clara Valley Water District and the City of San Jose.

10. Report on Trail Development and Grant Priorities (PRNS)

Parks, Recreation and Neighborhood Services staff provided a presentation on the overview of Coyote Alamos Canal engineering study findings; grant prioritization process for trail program development; Willow Glen Spur Trail update. Upon the motion of Vice Chair Sam Liccardo and seconded by Councilmember Judy Chirco, the Committee voted to accept the report on trail development and grant priorities.

11. Quarterly Update on Performance Measurements (CMO) – RECOMMENDED DEFERRAL TO NOVEMBER

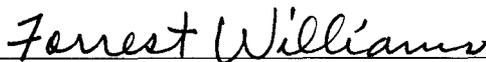
12. Quarterly Update on Council Directives (CMO) – RECOMMENDED DEFERRAL TO OCTOBER

13. Oral Petition

There were no Oral Petitions

14. Adjournment

The Committee adjourned at 12:05 p.m.


Councilmember Forrest Williams, Chair
Transportation & Environment Committee