



CITY COUNCIL AGENDA

OCTOBER 17, 2006

LINDA J. LE ZOTTE
FORREST WILLIAMS
CINDY CHAVEZ, VICE MAYOR
CHUCK REED
NORA CAMPOS

DISTRICT 1
DISTRICT 2
DISTRICT 3
DISTRICT 4
DISTRICT 5

RON GONZALES, MAYOR

KEN YEAGER
MADISON P. NGUYEN
DAVID D. CORTESE
JUDY CHIRCO
NANCY PYLE

DISTRICT 6
DISTRICT 7
DISTRICT 8
DISTRICT 9
DISTRICT 10

Welcome to the San José City Council meeting!

This Agenda contains both a Consent Calendar section for routine business items that require Council approval, and general business items arranged to correspond with San José's City Service Areas (CSAs). City Service Areas represent the policy-making level for strategic planning, policy setting, and investment decisions in the critical functions the City provides to the community. They are:

- **Strategic Support Services** — The internal functions that enable the CSAs to provide direct services to the community in an effective and efficient manner.
- **Community & Economic Development** — Manage the growth and change of the community in order to create and preserve healthy neighborhoods and ensure a diverse range of employment and housing opportunities.
- **Neighborhood Services** — Serve, foster, and strengthen community by providing access to lifelong learning and opportunities to enjoy life.
- **Transportation & Aviation Services** — A safe and efficient transportation system that contributes to the livability and economic health of the City; and provide for the air transportation needs of the community and the region at levels that is acceptable to the community.
- **Environment and Utility Services** — Manage environmental services and utility systems to ensure a sustainable environment for the community.
- **Public Safety Services** — Commitment to excellence in public safety by investing in neighborhood partnerships as well as prevention, enforcement, and emergency preparedness services.

Items listed in Section 9 require approval of both the City Council and the San José Redevelopment Agency Board.

You may speak to the City Council about any item that is on the agenda, and you may also speak on items that are not on the agenda during Open Forum. If you wish to speak to the City Council, please refer to the following guidelines:

- **Fill out a Yellow Speaker's Card and submit it to the City Clerk seated at the front table. Do this before the meeting or before the item is heard.** This will ensure that your name is called for the item(s) that you wish to address, and it will help ensure the meeting runs smoothly for all participants.
- When the Council reaches your item on the agenda, Mayor Gonzales will open the public hearing and call your name. Please address the Council from the podium, which is located to the left of the City Clerk's table.
- Each speaker generally has two minutes to speak per item. The amount of time allotted to speakers may vary at the Mayor's discretion, depending on the number of speakers or the length of the agenda.
- To assist you in tracking your speaking time, there is a display on the podium. The green light turns on when you begin speaking; the yellow light turns on when you have 30 seconds left; and the red light turns on when your speaking time is up.

Please be advised that, by law, the City Council is unable to discuss or take action on issues presented during Open Forum. According to State Law (the Brown Act) items must first be noticed on the agenda before any discussion or action.

The San José City Council meets every Tuesday at 1:30 p.m. and every first and third Tuesday at 7 p.m., unless otherwise noted. If you have any questions, please direct them to the City Clerk's staff seated at the tables just below the dais. Thank you for taking the time to attend today's meeting. We look forward to seeing you at future meetings.

Agendas and Staff Reports for City Council items may be viewed on the Internet at www.sanjoseca.gov/clerk/agenda.asp

To arrange an accommodation under the Americans with Disabilities Act to participate in this public meeting, please call (408) 535-1260 or (408) 294-9337 (TTY) at least two business days before the meeting.

On occasion the City Council may consider agenda items out of order.

- **Call to Order and Roll Call**
9:30 a.m. - Closed Session, City Hall Tower, 18th Floor, City Hall
See Separate Agenda
1:30 p.m. - Regular Session, Council Chambers, City Hall
- **Invocation (District 9)**
Kristin Engineer, Music Director, Carlton Elementary School
- **Pledge of Allegiance**
- **Orders of the Day**

ITEM 9.1 IS TO BE CONSIDERED IN A JOINT CITY COUNCIL/REDEVELOPMENT AGENCY BOARD SESSION.

Items recommended to be added, dropped, or deferred are usually approved under Orders of the Day unless the Council directs otherwise.

1. CEREMONIAL ITEMS

- 1.1** Presentation of a commendation to the California National Guard for their dedication to the safety and security of residents and travelers to and from San José, and the greater Silicon Valley. (Airport)
- 1.2** Presentation of a commendation to the Italian American Heritage Foundation on the occasion of the 26th Annual Italian Family *Festa* for its dedication to honoring Italian history and culture and its outstanding contributions to the San José community. (Chavez/Cortese/LeZotte)
(Rules Committee referral 10/4/06)

1. CEREMONIAL ITEMS

- 1.3 Presentation of a proclamation declaring October 2006 as “Employment of Persons with Disabilities Awareness Month” in the City of San José. (LeZotte)
(Rules Committee referral 10/4/06)
- 1.4 Presentation of a proclamation declaring October 16, 2006 as “Feral Cat Day” in the City of San José. (Reed)
(Rules Committee referral 10/4/06)
- 1.5 Presentation of a proclamation recognizing the month of October 2006 as “Filipino American History Month” in the City of San José. (Campos)
(Rules Committee referral 10/4/06)
DROP
- 1.6 Presentation of a commendation to Angie Horne for her extraordinary volunteer services to the Bagby Elementary School District and the residents of San José. (Yeager)
(Rules Committee referral 10/4/06)

2. CONSENT CALENDAR

Notice to the public: There will be no separate discussion of Consent Calendar items as they are considered to be routine by the City Council and will be adopted by one motion. If a member of the City Council, staff, or public requests discussion on a particular item, that item will be removed from the Consent Calendar and considered separately.

2.1 Approval of Minutes.

Recommendation: Approval of minutes:

- (a) Regular Minutes of December 13, 2005
[Deferred from 9/19/06 – Item 2.1(b) et al and 10/3/06 – Item 2.1(a)]

2.2 Final adoption of ordinances.

Recommendation: Final adoption of ordinances:

- (a) ORD. NO. 27882 – Rezoning certain real property situated on the southwest corner of McKee Road and Delia Street to R-1-8 Single Family Residence District. C06-073
- (b) ORD. NO. 27883 – Rezoning certain real property situated on the north side of Capitol Expressway approximately 200 feet west of Snell Avenue to A(PD) Planned Development Zoning District. PDC06-019
- (c) ORD. NO. 27884 – Rezoning certain real property situated on the southwest corner of Monterey Road and Goble Lane to A(PD) Planned Development Zoning District. PDC06-034

2. CONSENT CALENDAR

2.2 Final adoption of ordinances (Cont'd.)

Recommendation: Final adoption of ordinances:

- (d) ORD. NO. 27885 – Rezoning certain real property situated on the southwesterly corner of Eberly Drive and Neilson Court to A(PD) Planned Development Zoning District. PDC04-091
- (e) ORD. NO. 27886 – Rezoning certain real property situated at the southwest corner of Tully Road and Capitol Expressway to CG Commercial General Zoning District. C05-125

2.3 [Approval to amend an agreement for the Lake Cunningham Regional Skate Master Plan Amendment Project.](#)

Recommendation: Adoption of a resolution authorizing the City Manager to negotiate and execute a first amendment to the consultant agreement for management and design services with Beals Alliance, Inc., for the Lake Cunningham Regional Skate Park Master Plan Amendment Project extending the term from March 31, 2008 to June 30, 2008, and increasing the compensation by \$167,991, from \$500,000 for a total agreement amount not to exceed \$667,991. CEQA: Not a Project. (Parks, Recreation and Neighborhood Services)
(Deferred from 9/26/06 – Item 2.11)

2.4 [Approval to continue an agreement with ACS Transport Solutions, Incorporated.](#)

Recommendation: Adoption of a resolution authorizing the Director of Finance to execute a continuation agreement between the City and ACS for parking control equipment at San José International Airport, extending the term from October 1, 2000 to December 31, 2006 to allow for payment of \$654,477.05 to be made to the vendor. CEQA: Not a Project. (Finance)
(Deferred from 10/3/06 – Item 2.6)

2.5 [Approval to amend an agreement related to technical and operational issues for the Airport Master Plan.](#)

Recommendation: Adoption of a resolution authorizing the City Manager to negotiate and execute a fifth amendment to the agreement with Airport & Aviation Professionals, Inc. dba AvAirPros for consulting services related to technical and operational issues during implementation of the Airport Master Plan, increasing compensation by \$163,000 from \$730,000, for a total agreement amount not to exceed \$893,000, and extending the term of the agreement from December 15, 2006 to April 30, 2007. CEQA: Resolution Nos. 67380 and 71451, PP06-159. (Airport)

2. CONSENT CALENDAR

2.6 [Approval to continue an agreement for the Airport concession disadvantaged Business Enterprise Program.](#)

Recommendation: Approval of a continuation agreement with Public Management Advisors, LLC and Exstare Federal Services Group, LLC for consultant services for the Airport Concession Disadvantaged Business Enterprise Program at the Norman Y. Mineta San José International Airport, extending and continuing the term from August 31, 2006 to January 31, 2007 and increasing the maximum compensation by \$52,802 from \$97,875 to \$150,677. CEQA: Resolution Nos. 67380 and 71451, PP06-156. (Airport)

2.7 [Approval of an amendment to legal services agreement for the Airport Terminal Area Improvement Program.](#)

Recommendation: Adoption of a resolution authorizing the City Attorney to negotiate and execute a third amendment to the agreement with Nossaman Guthner Knox & Elliott LLP for legal services related to negotiation of the Design Build Agreement for the Airport Terminal Area Improvement Program, increasing compensation by \$100,000 for a total not to exceed \$350,000 and extending the term from December 31, 2006 to June 30, 2007. CEQA: Not a Project. (City Attorney's Office)

2.8 [Approval of fiscal actions for Redevelopment Agency Capital Projects.](#)

Recommendation: Adoption of the following Appropriation Ordinance and Funding Sources Resolution amendments in the Services for Redevelopment Capital Projects Fund (City-side Redevelopment Fund):

- (a) Increase the estimate for Earned Revenue by \$75,000.
- (b) Establish an appropriation to the Department of Housing for the SNI Multi-Family Home Improvement Program Project (PSM #470) in the amount of \$75,000.

CEQA: Not a Project. (City Manager's Office)

2.9 **Approval to award open purchase orders for FY 2006-2007.**

Recommendation:

- (a) [Approval of award of open purchase orders for supplies, materials, equipment](#) and services for FY 2006-2007 #8 and authorization for the Director of Finance to execute the purchase orders.
- (b) [Approval of award of open purchase orders for supplies, materials, equipment](#) and services for FY 2006-2007 #9 and authorization for the Director of Finance to execute the purchase orders.

CEQA: See Administration's Memorandum to Council for specific CEQA clearance determinations on each recommended action. (Finance)

2. CONSENT CALENDAR

2.10 Approval of report on bids and award of contract for variable frequency drives.

Recommendation: Report on bids and award the purchase of four Variable Frequency Drives (VFDs) to Buckles Smith Electric, the lowest responsive bidder, in an amount not to exceed \$706,493.62 and authorizing the Director of Finance to execute the purchase order. CEQA: Not a Project. (Finance)

2.11 Approval of report on bids and award of contract for plug valves.

Recommendation: Report on bids and award the purchase of 64 plug valves to T&T Valve Instrument, the sole bidder, for a total amount not to exceed \$112,322 including tax and freight and authorizing the Director of Finance to execute the purchase order. CEQA: Not a Project. (Finance)

2.12 Approval of report on bids and award of contract for servers for Citywide Use.

Recommendation: Report on bids and award the purchase of 55 Dell Power Edge 2950 servers, related peripherals, and extended maintenance to the low bidder, Technology Integration Group (Los Alamitos, CA) for a total amount not to exceed \$278,202.96 including sales tax and delivery, and authorizing the Director of Finance to:

- (a) Execute the purchase order;
- (b) Amend the initial purchase order to purchase additional quantities of Dell Power Edge 2950 servers for the remainder of the fiscal year subject to annual appropriations; and
- (c) Execute purchase orders to acquire additional quantities for two additional fiscal years subject to annual appropriations.

CEQA: Not a Project. (Finance)

2.13 Approval of an Open Purchase Order for the purchase of Asphalt Concrete.

Recommendation:

- (a) Approval of report on quotes and adoption of a resolution authorizing the Director of Finance to execute open purchase orders for the purchase of asphalt concrete with Raisch Company, Granite Rock and Reed & Graham for a total amount not to exceed \$864,583 collectively for the period beginning October 17, 2006 through March 31, 2007.
- (b) Authorizing the Director of Finance to exercise options to extend the purchase orders for two additional one-year periods subject to annual appropriations.

CEQA: Exempt, PP04-02-041. (Finance)

2. CONSENT CALENDAR

2.14 [Approval to award open purchase orders for Electrical Maintenance and Repair Services.](#)

Recommendation: Approval of award of open purchase orders for Electrical Maintenance and Repair Services, and authorize the Director of Finance to execute the open purchase orders with Cupertino Electric, Inc., Rosendin Electric, Inc., Ray Scheidts Electric, Inc. and Lopes Electric, Inc. for \$200,000 each and a total amount not to exceed \$800,000 collectively for the period beginning October 18, 2006 through October 17, 2007. CEQA: Exempt, PP06-031. (Finance)

2.15 [Approval to award open purchase orders for Building Maintenance and Repair Services.](#)

Recommendation: Approval of award of open purchase orders for Building Maintenance and Repair Services, and authorize the Director of Finance to execute the open purchase orders with George Bianchi Construction, Inc., dba/Bianchi-Amaker Construction, Golden State Builders, and Tucker Construction, Inc. for \$200,000 each and a total amount not to exceed \$600,000 collectively for the period beginning October 18, 2006 through October 17, 2007. CEQA: Exempt, 04-03-081. (Finance)

2.16 [Approval to reject all proposals for Custodial Services at the Water Pollution Control Plant.](#)

Recommendation: Rejection of all proposals for custodial services at the Water Pollution Control Plant and authorize the Director of Finance to re-solicit the requirement. CEQA: Not a Project. (Finance)

2.17 **Approval of a loan increase for an Affordable Senior Housing Project.**

Recommendation: Adoption of a resolution approving a \$235,000 increase in the City's loan, for a total loan principal amount of \$2,346,730, to the Chai House II Affordable Senior Housing Project, located at 814 St. Elizabeth Drive. Council District 6. CEQA: Not a Project. (Housing)

DROP

2.18 [Approval of Housing Rehabilitation Assistance for repairs to a home located on Whitton Avenue.](#)

Recommendation: Adoption of a resolution approving housing rehabilitation assistance of up to \$147,500 to Julio Rodriguez for repairs to his home located at 1564 Whitton Avenue. CEQA: Exempt, File No. PP06-153. Council District 5. SNI: Gateway East. (Housing)

2. CONSENT CALENDAR

2.19 Approval of Council Member Nguyen's Travel Out of Country.

Recommendation: Approval of travel for Council Member Nguyen to Seoul, Korea for Asia 21 Young Leaders Summit on November 17-19, 2006. Source of Funds: Asia Society. (Nguyen)
(Rules Committee referral 10/4/06)

2.20 Adoption of a resolution ordering the reorganization of territory designated as Evergreen No. 191.

Recommendation: Adoption of a resolution ordering the reorganization of territory designated as Evergreen No. 191 which involves the annexation to the City of San José of an approximately 2.40 gross acres of land located on the east side of Ruby Avenue, approximately 400 feet southerly of Holderman Drive and adjacent to the City of San José annexations Evergreen Nos. 166, 169, 170 and 132 and the detachment of the same from Central Fire Protection and Area No. 01 (Library Services) County Service. CEQA: Resolution No. 65459. Council District 8. (Planning, Building and Code Enforcement)

2.21 Approval to fill a vacancy on the Civic Plaza Parking and Traffic Committee.

Recommendation: Approval to appoint Bob Carlson of the St. James Neighborhood Historic District to the Civic Plaza Parking and Traffic Committee filling an at-large vacancy on the committee. CEQA: Not a Project. (Public Works)

3. STRATEGIC SUPPORT SERVICES

3.1 Report of the Study Session Mayor Gonzales, Chair

3.2 Report of the Rules Committee – October 4, 2006 Vice Mayor Chavez, Chair

- (a) Redevelopment Agency items reported out at Redevelopment Agency meeting
- (b) City Council
 - (1) Review October 17, 2006 Draft City Council Agenda
 - (2) Add New Items to October 10, 2006 City Council Agenda
NONE, MEETING CANCELED
 - (3) List of Reports Outstanding
- (c) Legislative Update
 - (1) State
 - (2) Federal

3. STRATEGIC SUPPORT SERVICES

3.2 Report of the Rules Committee – October 4, 2006 (Cont'd.)

Vice Mayor Chavez, Chair

- (d) Meeting Schedules
 - (1) Approval of Evergreen East Hills Vision Strategy Study Session for Friday, October 20, 2006 from 9:00 a.m. to 12:00 noon in the City Council Chambers
 - (2) Approval of the General Plan Study Session Friday morning on October 27, 2006
- (e) The Public Record
- (f) Appointments to Boards, Commissions and Committees
 - (1) Approval of Arts Commission appointment (Williams)
- (g) Rules Committee Reviews, Recommendations and Approvals
 - (1) Urgency ordinance prohibiting the use automobile/bus/truck horns in residential neighborhoods for any reason other than emergency warning of traffic hazard (LeZotte)
- (h) Review of Significant Public Records Act Requests
- (i) Review of Council Policy Updates per Sunshine Reforms
- (j) Open Forum
- (k) Adjournment

3.3 Report of the Making Government Work Better Committee Council Member Reed, Chair

3.4 Approval of actions related to the 2005-2006 Annual Report and City's Administration Projects System.

[2005-2006 Annual Report](#)

Recommendation:

- (a)
 - (1) Acceptance of the 2005-2006 City Manager's Annual Report of the Finances of the City of San José, in compliance with City Charter Section 701(f).
 - (2) Adoption of Appropriation Ordinance and Funding Sources Resolution amendments in various operating and capital funds to implement 2005-2006 Annual Report recommendations, including appropriate technical adjustments.
 - (3) Approval of position actions in the Airport, Fire, Housing, Planning Building and Code Enforcement, and Parks, Recreation and Neighborhood Services Departments, and the Offices of the City Auditor, City Clerk and City Manager for a net addition of 10.5 positions.
- (b) [Acceptance of the first report of the City's Administration Projects System \(CAPS\).](#)

CEQA: Not a Project. (City Manager's Office)

3. STRATEGIC SUPPORT SERVICES

3.5 Interview candidates for one vacancy on the Civil Service Commission.

Recommendation:

- (a) Interview two applicants.
- (b) Appoint one applicant to serve a four year term on the Civil Service Commission, term ending December 1, 2010.
(City Clerk)
(Rules Committee referral 10/4/06)

3.6 Approval of various actions related to the Customer Call Center.

Recommendation:

- (a) Approval of the second amendment to the agreement for consulting services between the City of San José and Langham Consulting Services, Inc. extending the term of the agreement from September 30, 2006 to November 30, 2006 and increasing total compensation by \$46,000 to a not-to-exceed amount of \$189,000 in order to provide additional services related to developing a strategy for improving Call Center performance.
- (b) Adoption of a resolution authorizing the Director of Finance to negotiate and execute an amendment to the Operations and Maintenance (O&M) Services Agreement with Nortel Networks Corporation (“Nortel”) increasing compensation by \$70,420 to a total not to exceed compensation of \$1,172,920 for enhancements to the City’s phone system for the Customer Call Center to provide efficiencies and improved customer service.

CEQA: Not a Project. (Finance/Information Technology)

3.7 Approval of revisions to Council Policy 2-1 for the exhibition of Federal, State, City and Ceremonial Flags from City Buildings.

Recommendation:

- (a) Adoption of a resolution approving a revised Council Policy 2-1 for the Exhibition of Federal, State, City and Ceremonial Flags from City Buildings.
- (b) Adoption of a resolution directing the City Manager to permanently display the POW/MIA flag beneath the United States flag on the exterior flagpoles at the old City Hall.
- (c) Adoption of a resolution authorizing the City Manager to temporarily display the following ceremonial flags at City Hall under certain circumstances:
 - (1) The flag of Ireland during Irish Week.
 - (2) The flag of Mexico on Cinco de Mayo (May 5).
 - (3) The flag of Mexico on Mexican Independence Day (September 16).
 - (4) The flag of the former Republic of Vietnam (South Vietnam) upon request of the Mayor or a Councilmember in connection with an event or ceremony.
 - (5) The Rainbow flag, in recognition of the Lesbian, Gay, Bisexual, and Transgender (LGBT) community, upon request of the Mayor or a Councilmember in connection with an event or ceremony.

CEQA: Not a Project. (General Services)

3. STRATEGIC SUPPORT SERVICES

3.8 [Approval of actions related to City Health Agreements.](#)

Recommendation: Adoption of a resolution authorizing the City Manager to negotiate and execute group health agreements with Kaiser Permanente, Blue Shield of California, and United HealthCare (PacifiCare/Secure Horizons) for the period from January 1, 2007 through December 31, 2011. CEQA: Not a Project. (Human Resources)

4. COMMUNITY & ECONOMIC DEVELOPMENT

4.1 **Report of the Building Strong Neighborhoods Committee – [October 2, 2006](#)** **Council Member Chirco, Chair**

- (a) Welcome and Introductions
- (b) Agenda Overview
- (c) Strong Neighborhoods Project Advisory Committee Presentation and Discussion
- (d) Discussion of Building Strong Neighborhoods Beyond Redevelopment Areas
- (e) Discussion of the Future of the Strong Neighborhoods Project Advisory Committee
- (f) Review of Key Discussion Points
- (g) Oral Petitions
- (h) Adjournment

4.2 **Report of the Driving a Strong Economy Committee – [September 25, 2006](#)** **Council Member Williams, Chair**

- (a) Small Contractor Focus Group
- (b) Grand Prix Report
Request deferral
- (c) Economic Development Strategy Progress Report
Request deferral
- (d) Update on the Small Business Ambassador Program
Deferred from June 26, 2006
- (e) San José Entrepreneur Center Program Evaluation Report
(Rules Committee referral 9/2/06)
- (f) Oral Petitions
- (g) Adjournment

4. COMMUNITY & ECONOMIC DEVELOPMENT

4.3 [Public hearing and consideration of a Historical Property Contract for the Curtis House.](#)

Recommendation: Public hearing and consideration of approval of a Historical Property Contract (California Mills Act) between the City of San José and property owners of the Curtis House, City Landmark No. HL05-152, on a 0.20 gross acre site, in the R-1-8 Single-Family Residence Zoning District, located on the southeast corner of East San Antonio Street and South Seventeenth Street (254 South 17th Street) (Gloria M Scaria). Director of Planning, Building and Code Enforcement and Historic Landmarks Commission recommends approval (4-0-0). CEQA: Exempt. SNI: University. [MA06-002](#) - District 3
(Continued from 10/3/05 – item 4.12)

4.4 [Approval of actions related to City-owned property located at 2090 Evans Lane.](#)

Recommendation: Adoption of a resolution:

- (a) Authorizing the Director of Housing to enter into exclusive negotiations with Satellite Housing, Inc., or its affiliate, for the development of a 5.94-acre City-owned site located at 2090 Evans Lane; and,
- (b) Authorizing the Director of Housing to negotiate and execute an Option Agreement for the purchase of property from the City of San José with Satellite Housing, Inc., or its affiliate, for the subject property in the amount of \$15,507,400.

CEQA: Mitigated Negative Declaration, File No. GP02-06-02b. Council District 7.
(Housing)

4.5 [Approval to consolidate the Community Development Block Grant Steering Committee with the Housing Advisory Commission.](#)

Recommendation: Approval of [an ordinance](#) repealing Part 22 of Chapter 2.08 of Title 2 of the San José Municipal Code and amending in its entirety Part 28 of Chapter 2.08 of Title 2 to consolidate the Community Development Block Grant (CDBG) Steering Committee and the Housing Advisory Commission (HAC), with the new commission named the Housing and Community Development Advisory Commission (HACDAC). CEQA: Not a Project. (Housing)

5. NEIGHBORHOOD SERVICES

5.1 **Report of the All Children Achieve Committee**
Council Member Yeager, Chair

5.2 [Approval to amend an agreement for the operation and maintenance of the new Dr. Martin Luther King Jr. Library.](#)

Recommendation: Approval of a second amendment to the agreement between the City and the Trustees of the California State University System on behalf of San José State University (SJSU) for the Operation and Maintenance of the new Dr. Martin Luther King, Jr. Library (King Library) in order to update the allocation method for disbursing funds for payment of maintenance and utilities expenses. CEQA: Not a Project. Council District 3. (Library)

6. TRANSPORTATION & AVIATION SERVICES

6.1 **Report of the Building Better Transportation Committee – [October 2, 2006](#)**
Council Member Campos, Chair

- (a) Report on PG&E Utility Undergrounding Project Delivery
- (b) Report on Railroad Quiet Zones
- (c) Update on Traffic Calming and School Safety Programs
- (d) Oral Petitions
- (e) Adjournment

6.2 [Approval of actions related to the Airport North Concourse General Building \(Package 4\).](#)

[Supplemental](#)

Recommendation: Report on bids and award of contract for the Norman Y. Mineta San José International Airport North Concourse General Building (Package 4) to the low bidder, Clark Construction Group-California, LP, to include the base bid and Alternate No. 8, in the amount of \$144,082,025, and approval of a contingency in the amount of \$10,085,742. CEQA: Resolutions No. 67380 and 71451, PP 06-131. (Public Works/Airport)
(Deferred from 9/19/06 – Item 6.2)

6. TRANSPORTATION & AVIATION SERVICES

6.3 Approval to award the contract for the design and construction of the Airport Terminal Area Improvement Program.

Supplemental

Recommendation:

- (a) Approval of a contract with Hensel Phelps Construction for the design and construction of the Airport Terminal Area Improvement Program in the amount of \$488,211,000, including a City-controlled design and construction contingency in the amount of \$24,560,000, for a total contract amount not to exceed \$512,771,000.
- (b) Approval of a City-controlled program reserve for additions to the scope of the Program, in an amount not to exceed \$55,965,000.
- (c) Adoption of a resolution finding that the contract with Hensel Phelps for the design and construction of the Airport Terminal Area Improvement Program will result in faster project completion than if the City used a traditional design-bid-build procurement process.
- (d) Adoption of a resolution:
 - (1) Authorizing the City Manager to negotiate and execute contract change orders for the City-controlled design and construction contingency pursuant to the terms of the contract with Hensel Phelps in an amount not to exceed \$24,560,000.
 - (2) Authorizing the City Manager to negotiate and execute contract change orders for the City-controlled program reserve in an amount not to exceed \$55,965,000.
 - (3) Authorizing the City Manager to negotiate and execute a first amendment to the agreement with Lamberson Koster & Company, a wholly owned subsidiary of Arthur J. Gallagher & Company, dba Gallagher Construction Services, to provide insurance broker services for an Owner Controlled Insurance Program for the Airport Master Plan Projects, to include the administration of the Owner Controlled Insurance Program for the Airport Terminal Area Improvement Program, to extend the term of the agreement from October 27, 2006 to October 26, 2011, and to increase the compensation by \$1,500,000, from \$1,575,000 to a not-to-exceed amount of \$3,075,000.
 - (4) Authorizing the City Manager to negotiate and execute the extension of the City's current OCIP program with American International Group from March 31, 2007 to March 31, 2012 including the purchase of Builders Risk and Owners Protective Professional Indemnity with an increase in premium and loss reserves in a total amount not to exceed \$19,500,000.

(Item continued on the next page)

6. TRANSPORTATION & AVIATION SERVICES

6.3 Approval to award the contract for the design and construction of the Airport Terminal Area Improvement Program (Cont'd.)

Recommendation:

- (d) Adoption of a resolution (Cont'd.)
- (e) Adoption of the following Appropriation Ordinance Amendments in the Airport Revenue Bond Improvement Fund:
 - (1) Establish the Terminal Area Improvement, Phase II appropriation in the amount of \$26,799,000.
 - (2) Increase the Public Parking Garage appropriation in the amount of \$8,187,000.
 - (3) Decrease the Ending Fund Balance by \$34,986,000.
- (f) Approval of a sublease agreement between the City and Hensel Phelps for up to 15,288 square feet of space in the Airport administrative offices at 1732 No. First Street commencing October 18, 2006, for a year-to-year term that shall not extend beyond December 31, 2009, with initial monthly rent of \$35,114, with rates increasing \$.05 per square foot every July 1. Hensel Phelps will be responsible for a pro rata share of operating expenses, including taxes, insurance, utilities and parking.
- (g) Direction to the staff to implement comprehensive reporting to Council on a regular basis as described in the report.

CEQA: Resolution Nos. 67380 and 71451, PP 06-137. (Public Works/Airport/City Manager's Office)

7. ENVIRONMENTAL & UTILITY SERVICES

7.1 [Approval of the San José Municipal Water System's Water Supply Assessment for the Coyote Valley Specific Plan.](#)

Recommendation: Approval of San José Municipal Water System's Water Supply Assessment for Coyote Valley Specific Plan. CEQA: Exempt, File No. PP06-158. (Environmental Services)

7.2 [Approval to appoint the Bay Area Water Supply and Conservation Agency to represent the City.](#)

Recommendation: Adoption of a resolution appointing the Bay Area Water Supply and Conservation Agency as the authorized representative of the City in discussions/negotiations with San Francisco for an agreement to provide a permanent, non-interruptible and reliable high quality water supply at a fair price. CEQA: Not a Project. Council District 4. (Environmental Services)

7. ENVIRONMENTAL & UTILITY SERVICES

7.3 [Approval of an agreement for consultant services for the flow monitoring of the City's Sanitary Sewer System.](#)

Recommendation: Approval of the master agreement with ADS Environmental Services, Inc. for consultant services for the flow monitoring of the City's Sanitary Sewer System from the date of execution to December 31, 2010, in a total amount not to exceed \$1,500,000. CEQA: Exempt, File No. PP05-274. (Public Works)

8. PUBLIC SAFETY SERVICES

9. JOINT COUNCIL/REDEVELOPMENT AGENCY

CONVENE REDEVELOPMENT AGENCY BOARD TO CONSIDER ITEM 9.1 IN A JOINT SESSION

9.1 [Approval of actions related to the Repertory Theatre Loan Options.](#)

[Joint City Manager/Auditor Memo](#)

[City Auditor's Memo](#)

[City Attorney's Memo](#)

Recommendation:

- (a) Approval to consider the recommendation in (b-d) below pursuant to the Early Distribution Process Rules (2/3 vote required).
- (b) Consideration of a loan on a line of credit to the San José Repertory Theatre (REP) in an amount not to exceed \$2 million.
- (c) Contingent on Part (b) above being approved, appropriate funds from the Arts Stabilization Fund or the General Fund.
- (d) Adoption of a resolution authorizing the City Manager to negotiate and execute a loan or line of credit in an amount not to exceed \$2 million.

CEQA: Not a Project. (City Manager's Office)

(Deferred from 9/12/06 – Item 9.1 and 10/3/06 – Item 9.1)

ADJOURN REDEVELOPMENT AGENCY BOARD PORTION OF THE MEETING

- Closed Session Report

- Notice of City Engineer’s Pending Decision on Final Maps
- Notice of City Engineer’s Award of Construction Projects

On October 25, 2005, City Council approved a one year pilot program that delegated authority to the Director of Public Works to award or reject bids on construction projects where the base contract amount is below \$1,000,000. In accordance with this policy, the following is a list of projects that were awarded or rejected by the Director of Public Works in September 2006

AWARD:

<u>Project Name</u>	<u>Council District</u>	<u>Contractor</u>	<u>Contract Award Amount</u>	<u>Award Date</u>
Singleton Rd. Landfill Flaring System	7	LFG Control Corp.	\$231,500	9/8/06
Greater Gardner Street Reconstruction	6	Golden Bay Const.	\$741,913	9/22/06

- Open Forum
- Adjournment