



CITY COUNCIL AGENDA

JANUARY 29, 2002

SYNOPSIS

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

DISTRICT 1
DISTRICT 2
DISTRICT 3
DISTRICT 4
DISTRICT 5

RON GONZALES MAYOR

KEN YEAGER
GEORGE SHIRAKAWA, JR.
DAVID D. CORTESE
JOHN DIQUISTO
PAT DANDO

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.
- **Economic and Neighborhood 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.
- **Recreation and Cultural Services** — Serve, foster, and strengthen community by providing access to lifelong learning and opportunities to enjoy life.
- **Transportation Services** — A safe and efficient transportation system that contributes to the livability and economic health of the City.
- **Environment and Utility Services** — Manage environmental services and utility systems to ensure a sustainable environment for the community.
- **Aviation Services** — Provide for the air transportation needs of the community and the region at levels that are acceptable to 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 10 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:

1. **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.
2. When the Council reaches your item on the agenda, Mayor Ron 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.
3. 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.
4. To assist you in tracking your speaking time, there are three lights located to the far right of 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.

- **Call to Order and Roll Call**
9:30 a.m. - Closed Session, Room 600, City Hall
Absent: Council Member LeZotte (excused)

1:30 p.m. - Regular Session, Council Chambers, City Hall
Absent: Council Member LeZotte (excused)
- **Invocation (District 1)**
Castro Middle School 8th Grade Wind Ensemble Band played the Invocation led by Jenny Post.
- **Pledge of Allegiance**
Mayor Gonzales led in the Pledge of Allegiance.
- **Orders of the Day**
Approved.

1 CEREMONIAL ITEMS

- 1.1 Council Member Dando recognized Sixth, Seventh and Eighth grade students from Almaden Country School who are active in their school's Government Organization, the Principal, and members of staff.**

2 CONSENT CALENDAR

2.1 Approval of Minutes.

Recommendation: Approval of City Council Minutes for:

- (a) Regular meeting of August 21, 2001
Approved.
- (b) General Plan 2020 Review of August 21, 2001
Approved.

2 CONSENT CALENDAR

2.2 Final adoption of ordinances.

Recommendation: Final adoption of ordinances:

- (a) ORD. NO. 26558 – Establishes an underground utility district bounded by South Fourth Street, South Fifth Street, and South Sixth Street, between East San Fernando Street and East Santa Clara Street.

Ordinance No. 26558 adopted with direction to staff to identify the parameters of electrical under grounding on 4th, 5th and 6th streets first and residential areas to be identified second.

- (b) ORD. NO. 26559 – Amends Chapter 23 of Title 17 of the San José Municipal Code by adding a new Section 17.23.030 to require that upon renting units subject to the Rental Dispute Ordinance, landlords inform tenants that they are subject to the ordinance and distribute City of San José rental dispute program tenant information brochures to their tenants.

Ordinance No. 25669 adopted. Staff directed to reword the ordinance to ensure tenants under rent control know they are subject to provisions of the ordinance.

2.3 Approval of an agreement for three automated teller machines at the Airport.

Recommendation: Approval of a concession agreement with Bank of the West to provide for the operation of three automated teller machines at the Norman Y. Mineta San José International Airport, on a month-to-month term for the period February 1, 2002 through January 31, 2007, with projected annual revenue to the City in the amount of \$23,400. CEQA: Resolution No. 67380. (Airport)

Approved.

2.4 Approval to amend the consultant agreement for environmental analysis of Airport issues and projects.

Recommendation: Approval of a fourth amendment to the consultant agreement with David J. Powers & Associates, Inc. for environmental analysis of Airport issues and projects, increasing the maximum cost of the agreement by \$55,000, from \$240,000 to \$295,000. (Airport)

Approved.

2 CONSENT CALENDAR

2.5 Approval of amendments to agreements regarding On-Airport Rental Car Operations.

Recommendation:

- (a) Approval of second amendments to the On-Airport Rental Car Operations Agreement and Leases between the City of San José and: Alamo Rent-A-Car, LLC, Enterprise Rent-A-Car Company Of San Francisco, Fox Rent A Car, Inc., KRH Enterprises, Inc. dba Payless Rent A Car, and Thrifty Rent-A-Car System, Inc., to amend certain operational provisions of the agreements providing for additional rental car storage space and reimbursement by the City of common use rental car busing system costs. CEQA: Resolution No. 67380.

Approved.

- (b) Approval of second amendments to the Amended and Restated On-Airport Rental Car Operations Agreement and Leases between the City of San José and: Avis Rent A Car System, Inc., Budget Rent-A-Car Systems, Inc., Dollar Rent A Car Systems, Inc., and The Hertz Corporation, Inc. to amend certain operational provisions of the agreements, providing for additional rental car storage space and reimbursement by the City of common use rental car busing system costs.

Approved.

- (c) Adoption of a resolution authorizing the City Manager to negotiate and execute a second amendment to the On-Airport Rental Car Operations Agreement and Lease between the City of San José and National Car Rental System, Inc. to amend certain operational provisions of the agreement, providing for additional rental car storage space and reimbursement by the City of common use rental car busing system costs.

CEQA: Resolution No. 67380. (Airport)

Resolution No. 70815 adopted with direction to staff to return to Council with suggestions on alternatives for bussing to and from terminals via rental car companies and to assure the standards in the contract between the bus provider and the rental car companies are being met.

2.6 Approval of various fiscal actions for Redevelopment Agency Capital Projects.

Recommendation: Adoption of appropriation ordinance and funding sources resolution amendments in the Services for Redevelopment Capital Projects Fund (City-side Redevelopment Fund) for the Alum Rock Streetscape Improvements Project with a net impact to the fund of \$205,500. Council District 5. (City Manager's Office)

Ordinance No. 26568 adopted.

Resolution No. 78016 adopted.

2 CONSENT CALENDAR

2.7 Approval of an appropriation for the Library Department.

Recommendation: Adoption of appropriation ordinance and funding sources resolution amendments in the General Fund increasing the Library Grants appropriation to the Library Department by \$77,693. (City Manager's Office)

Ordinance No. 26569 adopted.

Resolution No. 70817 adopted.

2.8 Adoption of the 2002 Public Art Workplan.

Recommendation: Adoption of the 2002 Public Art Workplan. (Conventions, Arts and Entertainment)

Approved with direction to staff to return to Council with a timeline on fabrication and installation in April 2002 and to provide a schedule for installation of the Fallon Statue slated for August 2002.

2.9 Approval of open purchase orders for the purchase of supplies, materials, equipment, and services.

Recommendation: Approval of award of open purchase orders for supplies, materials, equipment, and services for FY 2001-2002 #20, and authorization for the Director of General Services to execute the purchase orders. (General Services)

Approved.

2.10 Approval to award the purchase of one Mobile Command Van for the Police Department.

Recommendation: Report on bids and award the purchase of one Mobile Command Van to the low bidder, Farber Motors, Inc., dba/Farber Specialty Vehicles, at a total cost of \$270,516, including tax and freight, and authorization for the Director of General Services to execute the purchase order for the:

- (a) Immediate purchase of one unit;
- (b) Subsequent purchase of additional units at the same bid price, without further Council action other than the appropriation of necessary funds; and
- (c) Approval of a contingency in the amount of \$13,500 for unforeseen engineering requirements that may arise subsequent to the publication of the bid specifications.

(General Services)

Approved.

2 CONSENT CALENDAR

2.11 Approval of an agreement for janitorial services for park restrooms.

Recommendation: Adoption of a resolution authorizing the Director of General Services to negotiate and execute:

- (a) One-year agreement for janitorial services for the maintenance of 46 park restrooms with Pacific Maintenance, Santa Clara, CA for a total annual cost not to exceed \$350,000, which includes supplemental funds for unanticipated services and future park restroom facilities requiring on-going maintenance.
- (b) Four one-year options for the renewal with an adjusted rate of compensation based on the Consumer Price Index not to exceed 7% per year with no further City Council action other than the appropriation of funding.

(General Services)

Resolution No. 70818 adopted.

2.12 Approval of various actions related to the Country Hills housing development.

Recommendation: Adoption of a resolution to:

- (a) Approve the subordination of the existing City permanent loan for the Country Hills apartment complex, an existing 152-unit housing development affordable to very low- and low-income households located at 124-142 Rancho Drive, to a new California Housing Finance Agency first deed of trust; and
- (b) Extend the term of the existing City permanent loan from 27 to 30 years.

Council District 7. (Housing)

Resolution No. 70819 adopted.

2.13 Approval of the hearing timeline for the FY 2002-03 Draft Consolidated Plan Annual Action Plan.

Recommendation: Approval of the hearing timeline for the FY 2002-03 Draft Consolidated Plan Annual Action Plan, which will include funding recommendations for the Community Development Block Grant (CDBG) Program, the HOME Investment Partnership Program, the Housing Opportunities for People with AIDS (HOPWA) Program, and the Emergency Shelter Grant (ESG) Program. (Housing/Parks, Recreation and Neighborhood Services)

Approved.

2.14 Approval of an ordinance extending the interim hiring rules for one year.

Recommendation: Approval of an ordinance extending the interim hiring rules for one year, from April 1, 2002 through March 31, 2003. (Human Resources)

Ordinance No. 26570 passed for publication.

2 CONSENT CALENDAR

2.15 Approval to submit a grant application for the Innovative Branch Service Model.

Recommendation: Adoption of a resolution authorizing the City Manager to submit a National Leadership Grant application to the Institute of Museum and Library Services in an amount not to exceed \$500,000, for the implementation of the Innovative Branch Service Model, to accept the Grant if awarded, and to execute all related documents. (Library)

Resolution No. 70820 adopted.

2.16 Approval of various fiscal actions related to the Vinci Park Play Area Renovation Project.

Recommendation: Adoption of the following appropriation ordinance amendments in the Parks and Recreation Bond Projects Fund:

(a) Establish an appropriation of \$252,000 for the Vinci Park Play Area Renovation Project.

(b) Establish an appropriation of \$44,000 for the Thousands Oaks Play Area Renovation Project.

(c) Decrease the Ending Fund Balance by \$296,000.

Council Districts 4 and 9. (Parks, Recreation and Neighborhood Services/City Manager's Office)

Ordinance No. 26571 adopted.

2.17 Approval of finding that the use of CDBG funds for pro-active code enforcement efforts is appropriate and necessary.

Recommendation: Adoption of a resolution finding that the use of CDBG funds for pro-active code enforcement efforts in the residential neighborhood of Hillsdale, bordered by Senter Road, Lewis Road, Water Street, and Capitol Expressway, is appropriate and necessary. Council District 7. (Planning, Building and Code Enforcement)

Resolution No. 70821 adopted.

2.18 Acceptance of the San José Arena Authority Ticket Distribution Program Report.

Recommendation: Acceptance of the Fourth Quarter 2001 San José Arena Authority Ticket Distribution Program Report. (San José Arena Authority)

Approved.

END OF CONSENT CALENDAR

3 STRATEGIC SUPPORT SERVICES

3.1 Report of the Study Session

Mayor Gonzales, Chair

No Report.

3.2 Report of the Rules Committee – January 16, 2002

Vice Mayor Shirakawa, Jr., Chair

- (a) Redevelopment Agency items reported out at Redevelopment Agency meeting
The Redevelopment Agency items to be reported out at Redevelopment Agency Board meeting.
- (b) City Council
 - (1) Review January 29, 2001 Draft Agenda
The Committee approved the January 29, 2002 City Council agenda.
 - (2) Add New Items to January 22, 2001 Amended Agenda
The Committee recommended six additions to the January 22, 2002 City Council Agenda.
- (c) City Council Committees
 - (1) Amendments to Council Committee Agendas
 - (a) Finance and Infrastructure Committee
 - (b) Economic Development and Environment Committee
 - (c) Education, Neighborhoods, Youth, and Seniors Committee
None filed.
- (d) Meeting Schedules
There were none.
- (e) The Public Record
The Committee noted and filed the Public Record.
- (f) Boards, Commissions and Committees
None were present.
- (g) Council Referrals for Assignment to Appropriate Committee, Administration, or Council Appointee
 - (1) Approve request for City Auditor to conduct a financial audit of the Office of Criminal Justice Planning Grant No. PR98017928
The Committee directed the City Auditor to conduct a financial audit of the Office of Criminal Justice Planning Grant No. PR98017928, as requested by the Police Department.

3 STRATEGIC SUPPORT SERVICES

3.2 Report of the Rules Committee – January 16, 2002(Cont'd)

Vice Mayor Shirakawa, Jr., Chair

(g) Council Referrals for Assignment to Appropriate Committee, Administration, or Council Appointee (Cont'd)

(2) Approve request for City Auditor to participate in the preparation of the Requests for Proposal for the Utility Billing System
The Committee recommended that the City Auditor participate in the preparation of the RFP for the Utility Billing System and return with the draft RFP for Rules Committee approval.

(h) Administrative Reviews and Approval

(1) Approve request from Council Member Yeager to use Council General funds to attend the California Working Families Policy Summit 2002 in Sacramento, CA, January 17-18, 2002

The Committee recommended approval for Council Member Yeager to use Council General funds to attend the California Working Families Policy Summit 2002 in Sacramento, CA, January 17-18, 2002.

(2) Report on existing regulations and policies governing the timing and placement of discussion or referral items on a Rules Committee agenda
The Committee noted and filed the City Attorney's memorandum which discussed the legal requirements for Council Referrals on the Rules Agenda under the Brown Act and also addressed current procedures under the City Council's Referral Policy.

(i) Oral communications

Peter Campbell commented on City acquisition of River Corporate Center and the re-naming of the Norman Y. Mineta San Jose International Airport. William Garbett commented on the Utility Billing System RFP.

(j) Adjournment

The meeting was adjourned at 2:35 P.M.

The Rules Committee Report and action of January 16, 2002 accepted.

3.3 Report of the Finance and Infrastructure Committee

Council Member Dando, Chair

No Report.

3 STRATEGIC SUPPORT SERVICES

3.4 Approval of the proposed Supplemental Retiree Benefit Reserve (SRBR) distribution method.

Recommendation: Adoption of a resolution approving the proposed Police and Fire Retirement Plan Supplemental Retiree Benefit Reserve (SRBR) distribution method. (Board of Administration/Police & Fire Department Retirement Plan)

Resolution No. 70822 adopted.

Disqualified: Diquisto. Conflict of Interest.

4 ECONOMIC & NEIGHBORHOOD DEVELOPMENT

4.1 Report of the Economic Development & Environment Committee Council Member Williams, Chair No Report.

4.2 Approval of various anti-tobacco policies for programs funded by the Healthy Neighborhoods Venture Fund.

Recommendation: Adoption of the following anti-tobacco policies for programs funded by the Healthy Neighborhoods Venture Fund (HNVF):

- (a) Disclosure of Tobacco Company Contributions Policy precluding the award of HNVF funds to applicants who receive or solicit funds, goods, or services from tobacco companies but not to applicants who receive or solicit funds, goods, or services from subsidiaries of tobacco companies and;
- (b) Fund Acknowledgement Policy requiring HNVF funded programs to acknowledge the receipt of funds from the City of San Jose HNVF Program and allowing programs that receive contributions from subsidiaries of tobacco companies to acknowledge receipt of funds from only the subsidiary, and not the parent company, in printed and other materials.

(Parks, Recreation and Neighborhood Services)

(Deferred from 12/11/01 – Item 4.2 and 1/15/02 – Item 4.2)

Approved.

4.3 Approval of various actions related to the Crescent Parc Townhomes.

Recommendation: Adoption of a resolution:

- (a) Approving an increase in the maximum number of assisted units (affordable to moderate income households), from 31 to 46 units in the 62-unit Crescent Parc Townhomes ownership project located on the north side of Auzerais Avenue, between Meridian Avenue and Race Street.
- (b) Approving an additional amount of up to \$675,000 of the City's acquisition and construction loan repayment amount for second mortgages for up to 15 additional moderate-income units.

Council District 6. (Housing)

Resolution No. 70823 adopted.

4 ECONOMIC & NEIGHBORHOOD DEVELOPMENT

4.4 Approval of various actions related to the Italian Gardens Family Apartments.

Recommendation: Adoption of a resolution approving business terms for a permanent loan of up to \$4,851,000 to Mid-Peninsula Housing Coalition, or its designated partnership, for the development of the Italian Gardens Family Apartments, a 148-unit family housing development affordable to extremely low-income, very low-income, and moderate-income households on a 6.73-acre site located on the east side of Almaden Road, 800 feet south of Alma Avenue. Council District 7. (Housing)

Resolution No. 70824 adopted.

5 RECREATION & CULTURAL SERVICES

5.1 Report of the Education, Neighborhoods, Youth, and Seniors Committee Council Member Chavez, Chair

No Report.

5.2 Approval to award a contract for the Cataldi, Capitol, and Melody Parks Play Area Renovation Projects.

Recommendation: Report on bids and award of contract for the Cataldi, Capitol, and Melody Parks Play Area Renovation Project to the low bidder, and approval of a ten percent (10%) contingency. CEQA: Exempt. Council Districts 2, 4, and 5. SNI: Capitol Park-East Valley/680 Community. (Public Works)

Deferred to February 5, 2002.

5.3 Approval to award a contract for the Silver Leaf and Murdock Parks Play Area Renovation Projects.

Recommendation: Report on bids and award of contract for the Silver Leaf and Murdock Parks Play Area Renovation Project to the low bidder, and approval of a ten percent contingency. CEQA: Exempt. Council District 1 and 2. (Public Works)

Deferred to February 5, 2002.

5.4 Approval of a Master Agreement for design consultant services for the Soccer Recreation Facility Bond Project.

Recommendation: Approval of a Master Agreement with Royston, Hanamoto, Alley and Abey, Inc. for design consultant services for the Soccer Recreation Facility Bond Project (Parks and Recreation bond funded) from the date of execution through April 30, 2004, in an amount not to exceed \$800,000. (Public Works)

Approved.

5 RECREATION & CULTURAL SERVICES

5.5 Approval of the Master Agreement for program management of the City Parks Bond Measure P.

Recommendation: Approval of the Master Agreement with Gilbane Building Company, Inc. for program management of the City Parks Bond Measure P, for a term from January 23, 2002 through December 31, 2009, in an amount not to exceed \$8,995,000. (Public Works)

Dropped.

6 TRANSPORTATION SERVICES

7 ENVIRONMENTAL & UTILITY SERVICES

8 AVIATION SERVICES

8.1 Acceptance of the interim Taxicab Advisory Team report.

Recommendation: Acceptance of the interim Taxicab Advisory Team report. (Airport/City Manager's Office)

Approved with recommendations to (1) accept the Taxicab Advisory Team's Interim Report with staff to return Final Report no later than end of March 2002; (2) direct staff to follow Taxicab Advisory Team's recommendation; and (3) request staff to bring to City Council agenda on February 18, 2002 items for action and/or discussion bullet pointed in Memorandum of January 29, 2002 presented by Council Members Cortese, Yeager, Williams, Reed and Mayor Gonzales.

9 PUBLIC SAFETY SERVICES

10 JOINT COUNCIL/REDEVELOPMENT AGENCY

- Closed Session Report
- Notice of City Engineer’s Pending Decision on Final Maps
In accordance with Sec. 19.16.140d of the San Jose Municipal Code, this is notice of the City Engineer's pending decision on the following Final Maps:

None.

In accordance with Sec. 19.16.140d of the San Jose Municipal Code, this is notice of the City Engineer's receipt of the following Final Maps for review:

<u>Tract</u>	<u>Location</u>	<u>Council District</u>	<u>Developer</u>	<u>Lots/Units</u>	<u>Type</u>
9382	Both sides of Santa Teresa Blvd., north of Bailey Ave.	2	CVRP	10 lots	industrial

- Open Forum
 - (1) Paul Manley spoke regarding a storage container on his construction site.
 - (2) William Garbett spoke against the new garbage carts.
 - (3) Ross Signorino spoke against the signage on 87 and Taylor Street.
- Adjournment
The Council of the City of San Jose adjourned at 3:30 P.M.