



## MINUTES OF THE CITY COUNCIL

**SAN JOSÉ, CALIFORNIA**

**TUESDAY, JUNE 17, 2008**

The Council of the City of San José convened in regular session at 8:30 a.m. in the Council Chambers at City Hall.

Present: Council Members - Campos, Chirco, Chu, Cortese, Liccardo, Nguyen, Oliverio, Pyle, Williams; Reed.

Absent: Council Members - Constant. (Excused)

Upon motion unanimously adopted, Council recessed at 8:31 a.m. to a Closed Session in Room W133, (A) to confer with Legal Counsel with respect to existing litigation pursuant to Government Code Subsection (a) of Section 54956.9: (1) City of San José; Names of Parties Involved: City of San José; Pacific Gas & Electric Company, DOES 1-15; Court: Superior Court of California, County of Santa Clara; Case No: 1-07-CV-095695; Amount of Money or other Relief Sought: Seeking to obtain real property through eminent domain for fair value. (2) Boyer v. City of San José, et al; Names of Parties Involved: Patsy Boyer, 101 Park LLC, City of San José; Case No: 1-07-CV-095933; Amount of Money or other Relief Sought: In excess of \$25,000, according to proof. (B) to confer with Legal Counsel in respect to Potential Threat to Public Services or Facilities Pursuant to Government Code Section 54957(a): Consultation with Chief of Police; (C) to confer with Legal Counsel with respect to anticipated litigation pursuant to Government Code Subsection (b) of Section 54956.9: (1) Claimants: In re Claim of Melanie Gill; Department: Department of Transportation. (D) to confer with Legal Counsel with respect to anticipated litigation with significant exposure (Claim NOT Filed) pursuant to Government Code Subsection (c) of Section 54956.9 in one (1) matter. (E) to confer with Legal Counsel with respect to anticipated litigation pursuant to Government Code Subsection (b) of Section 54956.9 in one (1) matter. (F) to confer with Labor Negotiator pursuant to Government Code Section 54957.6: City Negotiator: City Manager Designee Alex Gurza; Employee Organizations: (1) Organization or Name and Title of Unrepresented Employees: San José Police Officers' Association; Wages/Salaries, Hours, Working Conditions, etc; Name of Existing Contract or MOA: Memorandum of Agreement between City of San José and San José Police Officers'

Access the video, the agenda and related reports for this meeting by visiting the City's website at <http://www.sanjoseca.gov/clerk/agenda.asp> or <http://www.sanjoseca.gov/clerk/MeetingArchive.asp>. For information on any ordinance that is not hyperlinked to this document, please contact the Office of the City Clerk at (408) 535-1266.

## **CLOSED SESSION (Cont'd.)**

Association. (2) Organization or Name and Title of Unrepresented Employees: Municipal Employees Federation, AFSCME Local 101, AFL/CIO; Wages/Salaries, Hours, Working Conditions, etc; Name of Existing Contract or MOA: Memorandum of Agreement between City of San José and Municipal Employees Federation, AFSCME Local 101, AFL/CIO. (3) Organization or Name and Title of Unrepresented Employees: City Association of Management Personnel Agreement; Wages/Salaries, Hours, Working Conditions, etc; Name of Existing Contract or MOA: Benefit and Compensation Summary between City of San José and City Association of Management Personnel Agreement. How to obtain a copy of existing contract or MOA: web: <http://www.sanjoseca.gov/employeerelations/moa.asp>; Telephone for Employee Relations: 408-535-8150.

By unanimous consent, Council recessed from the Closed Session at 9:45 a.m. and reconvened at 10:05 a.m. in the Council Chambers.

Present: Council Members - Campos, Chirco, Chu, Constant, Cortese, Liccardo, Nguyen, Oliverio, Pyle, Williams; Reed.

Absent: Council Members - None.

## **INVOCATION**

Rabbi Joshua Berkenwald, Congregation Sinai, offered a prayer of encouragement. (District 6)

## **PLEDGE OF ALLEGIANCE**

Mayor Reed led the Pledge of Allegiance.

## **ORDERS OF THE DAY**

Upon motion by Council Member Pyle, seconded by Vice Mayor Cortese and carried unanimously, the Orders of the Day and the Amended Agenda were approved, Items 2.15, 2.22 and 3.2 were deferred to June 24, 2008 and Item 11.1(f) was continued to August 12, 2008. (11-0.)

## **CONSENT CALENDAR**

Upon motion by Council Member Pyle, seconded by Council Member Williams and carried unanimously, the Consent Calendar was approved and the below listed actions were taken as indicated. (11-0.)

**2.1 Approval of minutes.**

- (a) **Regular Minutes of April 8, 2008**
- (b) **Regular Minutes of April 15, 2008**
- (c) **Joint City Council/San José Housing Authority Minutes of April 8, 2008**

Documents Filed: (1) The Regular Minutes dated April 8, 2008 and April 15, 2008. (2) The Joint City Council/San José Housing Authority Minutes dated April 8, 2008.

Action: The Minutes were approved. (11-0.)

**2.2 Final adoption of ordinances.**

- (a) **ORD. NO. 28314 – Amending Section 3.04.1410 of Chapter 3.04 of Title 3 of the San José Municipal Code to provide that a disciplinary hearing for an employee in a City of San José Peace Officer classification shall be closed to the public unless the employee requests that the hearing be open to the public.**

Documents Filed: Proof of Publication of the title of Ordinance No. 28314 executed on June 10, 2008, submitted by the City Clerk.

Action: Ordinance No. 28314 adopted. (11-0.)

- (b) **ORD. NO. 28317 – Amending Title 6 of the San José Municipal Code by amending Chapter 6.58 and 6.60 to add new sections and amend Section 6.60.200, and adding a new Chapter 6.62, to require promoters to be permitted prior to promoting events in Public Entertainment Venues or Public Dancehall Venues in the City, and require the operators of those venues to use only permitted promoters, and to specify that persons required to be permitted or licensed under the provisions of these chapters, but not so permitted or licensed, are also subject to the provisions of these chapters.**

Documents Filed: Proof of Publication of the title of Ordinance No. 28317 executed on June 10, 2008, submitted by the City Clerk.

Action: Ordinance No. 28317 adopted. (11-0.)

- (c) **ORD. NO. 28318 – Rezoning certain real property situated on the northwest corner of East Brokaw Road and Oakland Road (1015 East Brokaw Road) to the CN-Commercial Neighborhood Zoning District. C08-029**

Documents Filed: Proof of Publication of the title of Ordinance No. 28318 executed on June 10, 2008, submitted by the City Clerk.

Action: Ordinance No. 28318 adopted. (11-0.)

- 2.2 (d) **ORD. NO. 28319** – Rezoning certain real property located at the southeast corner of Berryessa Road and Jackson Avenue to A(PD) Planned Development Zoning District. PDC07-033

Documents Filed: Proof of Publication of the title of Ordinance No. 28319 executed on June 10, 2008, submitted by the City Clerk.

Action: Ordinance No. 28319 adopted. (11-0.)

- (e) **ORD. NO. 28320** – Amending Title 20 of the San José Municipal Code to add Section 20.30.530 to Chapter 20.30 to provide for a height exception for Solar Photovoltaic Power Generation Systems mounted on accessory building or structures, to amend Sections 20.20.100, 20.30.100, 20.30.500, 20.40.100, 20.50.100, 20.70.100, 20.100.500, 20.100.610, and 20.100.1030 of various Chapters of Title 20 of the San José Municipal Code and Section 13.48.210 of Chapter 13.48 of the San José Municipal Code to clarify that a building permit may be issued for the installation of Solar Photovoltaic Power Generation Systems that conform to all of the development standards of the Zoning District in which the system is located, and to amend Section 20.200.1165 of Chapter 20.200 of Title 20 of the San José Municipal Code to amend the definition of Solar Photovoltaic Systems.

Documents Filed: Proof of Publication of the title of Ordinance No. 28320 executed on June 10, 2008, submitted by the City Clerk.

Action: Ordinance No. 28320 adopted. (11-0.)

- (f) **ORD. NO. 28321** – Amending title 20 of the San José Municipal Code (the Zoning code) to amend Section 20.40.520 of Chapter 20.40 to streamline requirements for outdoor uses in Commercial Zoning district, to amend Section 20.50.100 of Chapter 20.50 to allow Performing Arts Rehearsal Space with a Condition Use Permit in the IP-Industrial Park Zoning District, to apply to “CM” Mixed Industrial Overlay to properties with the Combined Industrial Commercial General Plan Designation, allow additional commercial uses in establishments, streamline permit requirements for Data Centers, and provide for a Tow Yard Use, to amend Section 20.50.115 of Chapter 20.50 to establish requirements for commercial uses associated with Large Format Commercial Establishments, to amend Section 20.50.120 to make additional provision for incidental retail sales in Industrial Zoning District, to amend Section 20.90.060 to reduce parking requirements for Data Centers and performing Arts Rehearsal Space, and to establish parking requirements for Tow Yards and Large Format Commercial Establishments, to add Sections 20.200.265, 20.200.605, and 20.200.1278 to Chapter 20.200 to define Data Centers, Large Format Commercial Establishments and Vehicle Tow Yards, respectively, and to make other clarifying changes.

2.2 (f) (Cont'd.)

Documents Filed: Proof of Publication of the title of Ordinance No. 28321 executed on June 10, 2008, submitted by the City Clerk.

Action: Ordinance No. 28321 adopted. (11-0.)

(g) **ORD. NO. 28322 – Rezoning certain real property situated at the southwest corner of Murphy Avenue and Oyama Drive (1254 Murphy Avenue) to A(PD) Planned Development Zoning District. PDC07-088**

Documents Filed: Proof of Publication of the title of Ordinance No. 28322 executed on June 10, 2008, submitted by the City Clerk.

Action: Ordinance No. 28322 adopted. (11-0.)

2.3 **Adoption of a resolution authorizing the City Manager to negotiate and execute a consultant agreement with Jacobs Consultancy Inc. for airspace and airfield analysis services at the Norman Y. Mineta San José International Airport in an amount not-to-exceed \$200,000 and for the term of July 1, 2008 to June 30, 2011. CEQA: Resolution Nos. 67380 and 71451, File No. PP08-072. (Airport)**

Documents Filed: Memorandum from Director of Aviation William Sherry, dated May 27, 2008, recommending approval of the consultant agreement.

Action: Resolution No. 74419, entitled: “A Resolution of the Council of the City of San José Authorizing the City Manager to Negotiate and Execute an Agreement with Jacobs Consultancy Inc. for Airspace and Airfield Analysis Services at the Norman Y. Mineta San José International Airport in an Amount Not To Exceed \$200,000 and for the Term July 1, 2008 to June 30, 2011”, was adopted. (11-0.)

2.4 **Adoption of a resolution authorizing the City Manager to negotiate and execute Assistance Modifications to the cooperative agreement with the Transportation Security Administration to partially reimburse Airport-funded Police Department costs for four explosive detection canine teams for a total amount not-to-exceed \$200,500 per year at the Norman Y. Mineta San José International Airport and to negotiate and execute Assistance Modifications to the Cooperative Agreement for future years in an annual amount not-to-exceed \$200,500 on the same terms and conditions as the Cooperative Agreement. CEQA: Resolution Nos. 67380 and 71451, File No. PP08-089. (Airport)**

Documents Filed: Memorandum from Director of Aviation William Sherry, dated May 27, 2008, recommending adoption of a resolution.

2.4 (Cont'd.)

Action: Resolution No. 74420, entitled: "A Resolution of the Council of the City of San José Authorizing the City Manager to Negotiate and Execute Assistance Modifications to the Cooperative Agreement with the Transportation Security Administration to Partially Reimburse Airport Funded Police Department Costs for Four Explosive Detection Canine Teams", was adopted. (11-0.)

2.5 **Acceptance of the Office of the City Auditor's Report of Activities and Findings for the Period April 16, 2008 through May 15, 2008. (City Auditor)**

Documents Filed: Report of Activities for the Period April 16 through May 15, 2008, from the Office of the City Auditor.

Action: The report was accepted. (11-0.)

2.6 **Approval of an Ordinance amending Section 3.36.1020 of Chapter 3.36 of Title 3 of the San José Municipal Code related to service connected disability benefits for employees of the Fire Department who are members of the Police and Fire Department Retirement Plan. CEQA: Not a Project. (City Manager's Office)**

Documents Filed: Memorandum from Director of Employee Relations Alex Gurza, dated June 2, 2008, recommending approval of an ordinance.

Action: Ordinance No. 28330, entitled: "An Ordinance of the City of San José Amending Section 3.36.1020 of Chapter 3.36 of Title 3 of the San José Municipal Code Related to Service Connected Disability Benefits for Employees of the Fire Department Who Are Members of the Police and Fire Department Retirement Plan", was passed for publication. (11-0.)

2.7 **Approval of an Ordinance amending Sections 3.36.1270 and 3.36.1280 of Chapter 3.36 of Title 3 of the San José Municipal Code to revise the benefit formula for certain surviving spouses and surviving domestic partners of members of the Fire Department who are members of the Police and Fire Department Retirement Plan. CEQA: Not a Project. (City Manager's Office)**

Documents Filed: (1) Memorandum from City Attorney Richard Doyle, dated June 10, 2008, distributing the draft copy of the proposed ordinance.(2) Memorandum from Director of Employee Relations Alex Gurza, dated June 2, 2008, recommending approval of an ordinance.

Action: Ordinance No. 28331, entitled: "An Ordinance of the City of San José Amending Sections 3.36.1270 and 3.36.1280 of Chapter 3.36 of Title 3 of the San José Municipal Code to Revise the Benefit Formula for Certain Surviving Spouses and Surviving Domestic Partners of Members of the Police and Fire Department Retirement Plan Who Are Employed in the Fire Department", was passed for publication. (11-0.)

- 2.8 Approval of a third amendment to the agreement with enfoTech & Consulting, Inc. to extend the term of agreement by twenty-five months from December 31, 2007 to January 31, 2010 for the development and implementation of the Environmental Enforcement Data Management System at no additional cost to the City. CEQA: Not a Project. (Environmental Services)**

Documents Filed: (1) Memorandum from Director of Environmental Services John Stufflebean, dated May 27, 2008, recommending approval of a third agreement. (2) Letter from the Treatment Plant Advisory Committee, dated June 12, 2008, stating concurrence with the Staff recommendation.

Action: The third amendment to the agreement with enfoTech & Consulting, Inc. to extend the term of agreement by twenty-five months from December 31, 2007 to January 31, 2010 for the development and implementation of the Environmental Enforcement Data Management System at no additional cost to the City was approved. (11-0.)

- 2.9 Adoption of a resolution authorizing the City Manager to execute a Memorandum of Agreement among the cities of San José, Mountain View, Palo Alto and Redwood City, Delta Diablo Sanitation District, North Coast Water District, Santa Clara Valley Water District and the Bay Area Clean Water Agencies to implement a regional approach to obtaining and allocating federal funding for water recycling projects, at a cost for FY 2008-09 not-to-exceed \$30,000, with future year funding to be subject to appropriation by Council. CEQA: Not a Project. (Environmental Services)**

Documents Filed: (1) Memorandum from Director of Environmental Services John Stufflebean, dated May 27, 2008, recommending adoption of a resolution. (2) Letter from the Treatment Plant Advisory Committee, dated June 12, 2008, stating concurrence with the Staff recommendation.

Action: Resolution No. 74421, entitled: "A Resolution of the Council of the City of San José Authorizing the City Manager to Negotiate and Execute a Memorandum of Agreement Among Bay Area Cities, Districts and Agencies Relating to Obtaining and Allocating Federal Funding for Water Recycling Projects", was adopted. (11-0.)

- 2.10 Adoption of a resolution authorizing the City Manager to negotiate and execute an agreement with the Santa Clara Valley Water District for cost sharing associated with water conservation programs in FY 2008-2009, under which the City will receive an amount not-to-exceed \$280,000 and the District will receive an amount not-to-exceed \$406,977 for a net cost to the City of \$126,977. CEQA: Not a Project. (Environmental Services)**

Documents Filed: (1) Memorandum from Director of Environmental Services John Stufflebean, dated May 27, 2008, recommending adoption of a resolution. (2) Letter from the Treatment Plant Advisory Committee, dated June 12, 2008, stating concurrence with the Staff recommendation.

**2.10 (Cont'd.)**

Action: Resolution No. 74422, entitled: "A Resolution of the Council of the City of San José Authorizing the City Manager to Negotiate and Execute an Agreement with the Santa Clara County Water District for Cost Sharing in Implementation of Water Conservation Programs for Fiscal Year 2008-2009", was adopted. (11-0.)

**2.11 Accept the report on bids and award a construction contract for "Handrail Replacement and Concrete Repair for Grit Removal Tanks and Dissolved Air Floatation Tanks" to the low bidder, Ashron Construction and Restoration, Inc., in the amount of \$477,869 and approval of a 15% contingency in the amount of \$72,000. CEQA: Exempt, File No. PP07-248. (Environmental Services)**

Documents Filed: (1) Memorandum from Director of Environmental Services John Stufflebean, dated May 27, 2008, recommending approval of a contract to the low bidder. (2) Letter from the Treatment Plant Advisory Committee, dated June 12, 2008, stating concurrence with the Staff recommendation.

Action: The construction contract for "Handrail Replacement and Concrete Repair for Grit Removal Tanks and Dissolved Air Floatation Tanks" to the low bidder, Ashron Construction and Restoration, Inc., in the amount of \$477,869, with related contingency, was approved. (11-0.)

**2.12 Adoption of a resolution increasing the Library Parcel Tax rates for FY 2008-2009 by 2.77% over the FY 2007-2008 rates and approving the placement of the Library Parcel Tax on the FY 2008-2009 Santa Clara County Property Tax Roll. CEQA: Not a Project. (Finance)**

Documents Filed: Memorandum from Director of Finance Scott Johnson, dated May 27, 2008, recommending adoption of a resolution.

Action: Resolution No. 74423, entitled: "A Resolution of the Council of the City of San José Approving the Increased Library Parcel Tax Rates for FY 2008-2009 and Approving the Placement of the Library parcel Tax on the FY 2008-2009 Santa Clara County Property Tax Roll", was adopted. (11-0.)

**2.13 Adoption of a resolution approving:**

- (a) A rollover of the existing \$400,000 City acquisition loan made to Tierra Encantada Development, LLC, into second mortgages to assist eight moderate-income homebuyers with second mortgages of up to \$50,000 each.
- (b) An increase of up to \$200,000 in additional funding for this project in order to assist up to four additional moderate-income homebuyers with second mortgages of up to \$50,000 each.

**CEQA: Mitigated Negative Declaration, File No. PDC02-029. Council District 5. SNI: Mayfair. (Housing)**

**2.13 (Cont'd.)**

Documents Filed: Memorandum from Director of Housing Leslye Krutko, dated May 27, 2008, recommending adoption of a resolution.

Action: Resolution No. 74424, entitled: "A Resolution of the Council of the City of San José Authorizing the City Manager Approving the Rollover of the Existing \$400,000 City Acquisition Loan Made to Tierra Encantada, LLC into Second Mortgages to Assist Eight Moderate Income Homebuyers with Second Mortgages of up to \$50,000 Each and an Increase of up to \$200,000 in Additional Funding for this Project to Assist up to Four Additional Moderate Income Homebuyers with Second Mortgages of up to \$50,000 Each", was adopted. (11-0.)

**2.14 Adoption of a resolution:**

- (a) Approving the selection of The CORE Companies, or its designated affiliate, as the developer of the for-sale component of the Willow Glen Woods affordable housing development.**
  - (b) Authorizing the Director of Housing to enter into an Exclusive Negotiations Agreement and to execute an Amendment to an Option Agreement for the purchase of the property between the City and CORE for the development.**
- CEQA: Not a Project. Council District 6. (Housing)**

Documents Filed: (1) Memorandum from Director of Housing Leslye Krutko, dated May 27, 2008, recommending adoption of a resolution. (2) Supplemental memorandum from Director of Housing Leslye Krutko, dated June 10, 2008, transmitting corrected information regarding the budget reference chart on page 5.

Action: Resolution No. 74425, entitled: "A Resolution of the Council of the City of San José Approving the Selection of the Core Companies, or Its Designated Affiliate, as Developer of the For Sale Component of the Willow Glen Woods Affordable Housing Development and Authorizing the Director of Housing to Enter into an Exclusive Negotiations Agreement and to Execute an Amendment to an Option Agreement for the Purchase of the Property Between the City and Core", was adopted. (11-0.)

- 2.15**
- (a) Approval of the Carolyn Norris Park Master Plan Report.**
  - (b) Approval of a Turnkey Park Agreement with Summerhill Parkwood, LLC to construct turnkey park improvements on the Carolyn Norris Park site and to reimburse Summerhill Parkwood, LLC in an amount not to exceed \$198,328 for park improvements above its Parkland Dedication Obligations on the Carolyn Norris Park site associated with Planned Development Permit PD05-082 and Tentative Map No. PT05-103.**

- 2.15 (c) **Adoption of the following Appropriation Ordinance and Funding Sources Resolution Amendments in the Subdivision Park Trust Fund (Fund 375):**
- (1) **Establish an appropriation to the Parks, Recreation and Neighborhood Services Department in the amount of \$97,000 for Norris Park Turnkey Project Design Review and Inspection**
  - (2) **Decrease the Reserve: Future PDO/PIO Projects by \$97,000.**
- CEQA: Exempt, File No. PP07-263. Council District 9. (Parks, Recreation and Neighborhood Services)**

Action: Deferred to June 24, 2008 per Orders of the Day.

- 2.16 **Approval of the Los Gatos Creek Trail Reach 5 Master Plan and adoption of a resolution incorporating environmental mitigation measures as set forth in the Mitigation Monitoring and Reporting Program for the project. CEQA: Mitigated Negative Declaration, File No. PP06-112. Council Districts 3 and 6. SNI: Burbank/Del Monte, Delmas Park. (Parks, Recreation and Neighborhood Services)**

Documents Filed: (1) Memorandum from Director of Parks, Recreation and Neighborhood Services Albert Balagso, dated May 27, 2008, recommending adoption of a resolution. (2) Los Gatos Creek Trail, Reach 5 Draft Master Plan from Callander Associates, dated June 17, 2008 (CD included).

Action: Resolution No. 74426, entitled: "A Resolution of the Council of the City of San José Approving the Los Gatos Creek Trail Reach 5 Master Plan Project, for which an Initial Study/Mitigated Negative Declaration was Prepared in Accordance with the California Environmental Quality Act and Adopting a Mitigation Monitoring and Reporting Program", was adopted. (11-0.)

- 2.17 **Approval of the Coyote Creek Trail Master Plan for the reach from Story Road to Lower Silver Creek and adoption of a resolution incorporating environmental mitigation measures as set forth in the Mitigation Monitoring and Reporting Program for the project. CEQA: Mitigated Negative Declaration, File No. PP08-014. SNI: Five Wounds/Brookwood Terrace, 13<sup>th</sup> Street/University, Spartan Keyes. Council Districts 3 and 4. (Parks, Recreation and Neighborhood Services)**

Documents Filed: (1) Memorandum from Director of Parks, Recreation and Neighborhood Services Albert Balagso, dated May 27, 2008, recommending adoption of a resolution. (2) Coyote Trail Draft Master Plan from Callander Associates, dated May 22, 2008 (CD included).

Action: Resolution No. 74427, entitled: "A Resolution of the Council of the City of San José Approving the Coyote Creek Trail Story Road to Lower Silver Creek/U.S. 101 Master Plan Project, for which an Initial Study/Mitigated Negative Declaration was Prepared in Accordance with the California Environmental Quality Act and Adopting a Mitigation Monitoring and Reporting Program", was adopted. (11-0.)

**2.18 Adoption of resolutions approving, confirming and adopting the Annual Budget Reports for Fiscal Year 2008-2009 for City of San José Maintenance Districts 1, 2, 5, 8, 9, 11, 13, 15, 18, 19, 20, 21 and 22 and levying the assessment therein. CEQA: Exempt, File No. PP08-079. Council Districts 2, 3, 4 and 8. (Public Works)**

Documents Filed: Memorandum from Director of Public Works Katy Allen, dated May 27, 2008, recommending adoption of resolutions.

Action: Resolution No. 74428, entitled: "A Resolution of the Council of the City of San José Approving the Annual Budget Report for Maintenance District 1 (Los Paseos) for Fiscal Year 2008-2009 and Levying Assessments"; Resolution No. 74429, entitled: A Resolution of the Council of the City of San José Approving the Annual Budget Report for Maintenance District 2 (Trade Zone Boulevard – Lundy Avenue) for Fiscal Year 2008-2009 and Levying Assessments"; Resolution No. 74430, entitled: A Resolution of the Council of the City of San José Approving the Annual Budget Report for Maintenance District 5 (Orchard Parkway – Plumeria Drive) for Fiscal Year 2008-2009 and Levying Assessments"; Resolution No. 74431, entitled: A Resolution of the Council of the City of San José Approving the Annual Budget Report for Maintenance District 8 (Zanker - Montague) for Fiscal Year 2008-2009 and Levying Assessments"; Resolution No. 74432, entitled: A Resolution of the Council of the City of San José Approving the Annual Budget Report for Maintenance District 9 (Santa Teresa – Great Oaks) for Fiscal Year 2008-2009 and Levying Assessments"; Resolution No. 74433, entitled: A Resolution of the Council of the City of San José Approving the Annual Budget Report for Maintenance District 11 (Brokaw Road from Junction Avenue to Old Oakland Road) for Fiscal Year 2008-2009 and Levying Assessments"; Resolution No. 74434, entitled: A Resolution of the Council of the City of San José Approving the Annual Budget Report for Maintenance District 13 (Karina – O'Nel) for Fiscal Year 2008-2009 and Levying Assessments"; Resolution No. 74435, entitled: A Resolution of the Council of the City of San José Approving the Annual Budget Report for Maintenance District 15 (Silver Creek Valley) for Fiscal Year 2008-2009 and Levying Assessments"; Resolution No. 74436, entitled: A Resolution of the Council of the City of San José Approving the Annual Budget Report for Maintenance District 18 (The Meadowlands) for Fiscal Year 2008-2009 and Levying Assessments"; Resolution No. 74437, entitled: A Resolution of the Council of the City of San José Approving the Annual Budget Report for Maintenance District 19 (River Oaks Area Landscaping) for Fiscal Year 2008-2009 and Levying Assessments"; Resolution No. 74438, entitled: A Resolution of the Council of the City of San José Approving the Annual Budget Report for Maintenance District 20 (Renaissance – North First Landscaping) for Fiscal Year 2008-2009 and Levying Assessments"; Resolution No. 74439 entitled: A Resolution of the Council of the City of San José Approving the Annual Budget Report for Maintenance District 21 (Gateway Place – Airport Parkway) for Fiscal Year 2008-2009 and Levying Assessments"; and Resolution No. 74440 entitled: A Resolution of the Council of the City of San José Approving the Annual Budget Report for Maintenance District 22 (Hellyer Avenue – Silver Creek Valley Road) for Fiscal Year 2008-2009 and Levying Assessments", were adopted. (11-0.)

- 2.19 Adoption of a resolution authorizing the City Manager to negotiate and execute a first amendment to the agreement with Leland Saylor Associates for cost estimating consultant services to support the Airport Terminal Area Improvement Program, increasing the compensation by \$340,000, for a total compensation not-to-exceed \$840,000. CEQA: Resolution Nos. 71451 and 67380, File No. PP08-066. (Public Works/Airport)**

Documents Filed: Memorandum from Director of Public Works Katy Allen and Director of Aviation William Sherry, dated May 27, 2008, recommending approval of the first amendment to the agreement.

Action: Resolution No. 74441, entitled: "A Resolution of the Council of the City of San José Authorizing the City Manager to Negotiate and Execute a First Amendment to the Master Agreement with Leland Saylor Associates, Inc. for Cost Estimating Consultant Services to Support Implementation of the Airport Terminal Area Improvement Program, Increasing Compensation by \$340,000 for a Total Maximum Compensation Not to Exceed \$840,000", was adopted. (11-0.)

- 2.20 Approval of an amendment to an existing \$600,000 three-year grant agreement with the San José Downtown Association to coordinate and implement a Downtown Area Shuttle program to be provided by the Santa Clara Valley Transportation Authority, extending the term one year for the period between July 1, 2008 and June 30, 2009 for an amount not-to-exceed \$200,000; bringing the total agreement to an amount not-to-exceed \$800,000. CEQA: Not a Project. Council District 3. (Transportation)**

Documents Filed: Memorandum from Director of Transportation James Helmer, dated May 27, 2008, recommending approval of an amendment.

Action: The amendment to an existing \$600,000 three-year grant agreement with the San José Downtown Association to coordinate and implement a Downtown Area Shuttle program to be provided by the Santa Clara Valley Transportation Authority, extending the term one year for the period between July 1, 2008 and June 30, 2009 for an amount not-to-exceed \$200,000; bringing the total agreement to an amount not-to-exceed \$800,000 was approved. (11-0.)

- 2.21 Request for an excused absence for Council Member Constant from the Closed Session and Regular Meeting of the City Council on June 24, 2008 due to Authorized City Business: Federated City Employees' Retirement Services Education Training in San Francisco, CA. (Constant)  
(Constant)  
(Rules Committee referral 6/4/08)**

Documents Filed: Memorandum from Council Member Constant, dated May 29, 2008, 2008, requesting an excused absence due to authorized City business.

Action: The absence was excused. (11-0.)

- 2.22 Adoption of a resolution authorizing the Director of Finance to donate five surplus Brush Patrol Vehicles (1988 Ford F350 Cab and Chassis with a Brush Patrol body) with a cumulative estimated value of \$25,000 as follows: one vehicle to the Spring Valley Fire District, a volunteer fire department; two vehicles to San José Search and Rescue, a non-profit organization; one vehicle to Central County Occupational Center, an educational organization; and one surplus Brush Patrol to the Eves Volunteer Fire Department. CEQA: Not a Project. (Finance) (Deferred from 6/3/08 – Item 2.10 and 6/10/08 – Item 2.11)**

Action: Deferred to June 24, 2008 per Orders of the Day.

## END OF CONSENT CALENDAR

### STRATEGIC SUPPORT SERVICES

**3.1 Report of the City Manager, Debra Figone (Verbal Report)**

Action: City Manager Debra Figone announced the appointment of Jennifer Maguire as Budget Director, beginning June 23, 2008.

**3.2 Report of the Rules and Open Government Committee – June 4, 2008  
Mayor Reed, Chair**

Action: Deferred to June 24, 2008 per Orders of the Day.

**3.4 Adopt a Statement of Policy and City Council Questions related to the confirmation process for the Fire Chief as described in this memo, in compliance with City Charter Section 411.1. CEQA: Not a Project. (City Manager's Office)**

Documents Filed: (1) Memorandum from Council Member Campos, dated June 17, 2008, containing five questions for the Fire Chief (online) to be incorporated. (2) Memorandum from Vice Mayor Cortese, dated June 16, 2008, containing fourteen questions for the Fire Chief (online) to be incorporated. (3) Memorandum from City Manager Debra Figone, dated June 4, 2008, recommending a Statement of Policy and City Council Questions related to the process for Fire Chief be adopted.

A short discussion followed with direction as noted in "Action".

Action: Upon motion by Council Member Pyle, seconded by Council Member Williams and carried unanimously, a Statement of Policy and City Council Questions related to the confirmation process for the Fire Chief as described in the memorandum from City Manager Debra Figone, dated June 4, 2008, in compliance with City Charter Section 411.1, was approved, as amended: to include questions from the memorandum from Vice Mayor Cortese, dated June 16, 2008; the memorandum from Council Member Campos, dated June 17, 2008, and the suggestion from Council Member Liccardo to incorporate a commitment of linguistic and cultural competency when working with the residents of San José. (11-0.)

**3.5 Approval of an ordinance amending Chapters 3.28 and 3.36 of Title 3 of the San José Municipal Code to:**

- (a) Provide the City with the option to make lump sum payments of the City's required fiscal year 2008-09 pension and retiree medical benefits account contributions to the Police and Fire Department Retirement Plan and the Federated City Employees' Retirement System (the "Retirement Plans") on or before August 1, 2008 for the balance of fiscal year 2008-09;**
- (b) Provide the City with an annual option, commencing with fiscal year 2009-10, to select the periodic basis on which the City's required contributions will be made in advance to the Retirement Plans;**
- (c) Provide for each of the Retirement Plan Boards to establish the amounts of the City's required contributions for the August 2008 lump sum payment and for such alternative periodic basis as the City may select commencing with fiscal year 2009-10, as determined by the Boards' actuaries to be actuarially equivalent to the bi-weekly payments that would otherwise have been required;**
- (d) Provide that the City's required contributions to the medical benefits accounts within said Retirement Plans shall be made on the same periodic basis that the City's pension contributions are made; and**
- (e) Provide for adjustment of the City's required contributions in the following fiscal year after any lump sum payment is made to reflect any difference in contributions due to a variance between the actual payroll amount for the fiscal year in which the payment was made as compared to the projected payroll amount on which the lump sum payment was calculated.**

**CEQA: Not a Project. (Finance)**

Documents Filed: (1) Memorandum from Director of Finance Scott Johnson, dated May 29, 2008, recommending approval of an ordinance. (2) Supplemental memorandum from Director of Finance Scott Johnson, dated June 10, 2008, providing updated information regarding the amount calculated by the Segal Company for the prepayment to the Police and Fire Plan and the amount calculated by Gabriel Roeder Smith & Company for the prepayment to the Federated Plan.

Director of Finance Scott Johnson provided a Staff report related to the employer retirement contributions.

Motion: Council Member Constant moved approval of the Staff recommendations. Council Member Liccardo seconded the motion.

Director of Finance Scott Johnson responded to Council questions. Council Member Pyle requested an information memorandum about the final results of any savings achieved.

Public Comments: Gay Gale (CAMP) spoke in favor of the Staff recommendations.

**3.5 (Cont'd.)**

Action: On a call for the question, the motion carried unanimously, Ordinance No. 28332, entitled: "An Ordinance of the City of San José Amending Chapters 3.28 and 3.36 of Title 3 of the San José Municipal Code to Provide the City with the Option to Make Lump Sum Payments of City Required Contributions to the Police and Fire Department Retirement Plan and the to Federated City Employees Retirement Plan on or Before August 1, 2008 for the Balance of Fiscal Year 2008-2009, to Provide the City with an Annual Option Commencing with Fiscal Year 2009-2010 to Select the Periodic Basis on Which City Required Contributions Will Be Made in Advance to the Plans, to Provide for the Establishment by Each Retirement Board of the Amounts of the City Required Contributions For the Advance Lump Sum Payment for Fiscal Year 2008-2009 and for Such Alternative Periodic Bases as City May Select Commencing with Fiscal Year 2009-2010, to Provide that City Required Payments to the Medical Benefits Accounts Within Said Plans Shall be made on the Same Periodic Basis as Retirement Contribution Payments are made, and to Provide for Adjustment of the City Contributions in the Following Fiscal Year After Any Lump Sum Payment is made to Reflect any Difference in Contributions Due to a Variance Between the Actual Payroll Amount for the Fiscal Year in which the Payment was made as Compared to the Projected Payroll Amount on which the Lump Sum was Calculated", was passed for publication, with Staff requested to provide an information memorandum summarizing savings achieved. (10-0-1. Absent: Nguyen.)

**3.6 Report on Request for Proposal for the purchase of a Storage Area Network (SAN) Solution and adoption of a resolution authorizing the Director of Finance to:**

- (a) **Negotiate and execute an agreement with Systems Technology Associates of Tustin, CA, for the design, purchase, implementation and first year of maintenance and support of a SAN to house the City's electronic data and provide enterprise backup, fileserver and disaster recovery solutions, for a total amount not-to-exceed \$2,236,336 including all hardware, software, professional services including installation and training, one year of extended maintenance and support, shipping and applicable sales tax.**
- (b) **Execute change orders not-to-exceed 15% contingency in the amount of \$335,450 to cover any unanticipated changes or requirements related to the initial purchase, design, implementation, and support of the system.**
- (c) **Exercise four one-year options for ongoing maintenance and support subject to appropriation of funds.**

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

Documents Filed: Memorandum from Director of Finance Scott Johnson and Director of Information Technology Randall Murphy, dated May 27, 2008, recommending adoption of a resolution.

3.6 (Cont'd.)

Action: Upon motion by Vice Mayor Cortese, seconded by Council Member Constant and carried unanimously, Resolution No. 74442, entitled: "A Resolution of the Council of the City of San José Authorizing the Director of Finance to Negotiate and Execute an Agreement with Systems Technology Associates, Inc. for the Design, Purchase, Implementation and First Year Maintenance and Support of a Storage Area Network to House the City's Electronic Data and Provide Enterprise Backup, Fileserver and Disaster Recovery Solutions", was adopted. (10-0-1. Absent: Nguyen.)

- 3.7 (a) **Acceptance of the staff report on retiree healthcare, including the consultant report and Joint Retirement Board Committee report on Solutions to Retiree Healthcare.**
- (b) **Direction to staff to collaboratively develop options for a pre-funding plan, ramping up over a multiple year period to full pre-funding of the actuarially determined annual required contribution for retiree healthcare.**
- (c) **Direction to staff to move forward with total health management and risk reduction strategies through the wellness program.**
- CEQA: Not a Project. (Human Resources)**

Documents Filed: (1) Memorandum from Director of Human Resources Mark Danaj, dated May 27, 2008, recommending acceptance of the staff report with additional direction as described above. (2) Memorandum from Russell U. Crosby, Secretary, Boards of Administration, Police & Fire Retirement Plan and Federated Retirement System, dated June 11, 2008, recommending acceptance of the report.

City Manager Debra Figone provided the introductions. Director of Human Resources Mark Danaj presented an overview of the Staff report. Paul Hackerman provided information about the ten stakeholder meetings. Russ Richeda, Saltzman & Johnson, presented findings and recommended solutions.

Public Comments: Daniel Finn and Yolanda Cruz (City Labor Alliance) commented in support of the Staff report and expressed appreciation for the opportunity to participate

Action: Upon motion by Council Member Williams, seconded by Council Member Constant and carried unanimously, the Staff Report on retiree healthcare, including the consultant report and Joint Retirement Board Committee report on Solutions to Retiree Healthcare was approved, with Staff directed to collaboratively develop options for a pre-funding plan, ramping up over a multiple year period to full pre-funding of the actuarially determined annual required contribution for retiree healthcare and to move forward with total health management and risk reduction strategies through the wellness program. (10-0-1. Absent: Chu.)

## TRANSPORTATION & AVIATION SERVICES

- 6.2 (a) Adoption of a resolution approving the revised Council Policy 5-6, Traffic Calming Policy for Residential Neighborhoods, and;
- (b) Direction to staff to report back to Transportation and Environment Committee in the Fall of 2009 with a status report on the effectiveness of implementing the updated policy.

[Transportation and Environment Committee 6/2/08 – Item (g)]

Documents Filed: (1) Memorandum from Senior Executive Analyst Vilcia Rodriguez, dated June 2, 2008, transmitting the revisions to Council Policy 5-6. (2) Fifteen correspondences from the public regarding traffic calming.

Motion: Council Member Oliverio moved approval of the revised policy presented. Council Member Williams seconded the motion.

Council Member Liccardo offered a friendly amendment to the motion that would add to the policy a neighborhood noticing requirement that would include estimated costs and alternatives.

Director of Transportation James Helmer advocated for approval of the revised policy and explained that the next step would be to update the traffic calming “tool kit”, which is essentially what Council Member Liccardo is requesting. He added that Staff is requesting one fiscal year to test the revised policy and “tool kit” and an additional six months to report back to the Transportation and Environment Committee on progress. The friendly amendment was not accepted.

Public Comments: Dennis McHattie (Rose Garden Neighborhood) spoke about unsafe streets in the Rose Garden area. Stacy Gleixner (Selborn Place Neighborhood) spoke about the recent, tragic death of a 12 year old girl child in the Rose Garden area. Ann Shultz suggested drop off and pick up zones in the Rose Garden area, specifically where the child was recently killed. Jeff Bedolla proposed traffic calming effort should include an educational component designed to change driving behaviors.

Extensive Council discussion followed with further direction as noted in “Action”.

Action: On a call for the question, the motion carried unanimously, Resolution No. 74443, entitled: “A Resolution of the Council of the City of San José Approving a Revised Council Policy 5-6 Entitled: Traffic Calming Policy for Residential Neighborhoods”, was adopted; Staff was directed to report back to Transportation and Environment Committee in the Fall of 2009 with a status report on the effectiveness of implementing the updated policy; Staff was requested to: (1) Report back to the Transportation and Environmental Committee in October or November 2008 on the status of implementation. (2) Revise the Traffic Calming Toolkit to include options, costs and ancillary benefits by December and share it with the public. (3) Issue an information memorandum describing the City’s traffic calming efforts and share it with Council Offices, the public, neighborhood associations, schools, the County, Caltrans, special districts and agencies. (11-0.)

## **PUBLIC SAFETY SERVICES**

### **8.1 Acceptance of the report related to the Impact of Cardroom Gambling on Crime in the City of San José for the period of July 1, 2006 to June 30, 2007. CEQA: Not a Project. (Police)**

Documents Filed: Memorandum from Police Chief Robert Davis, dated May 27, 2008, recommending acceptance of the report.

Police Chief Robert Davis and Staff presented the impact of the cardroom gambling on crime in the City of San José.

Action: Upon motion by Council Member Pyle, seconded by Vice Mayor Cortese and carried unanimously, the report related to the Impact of Cardroom Gambling on Crime in the City of San José for the period of July 1, 2006 to June 30, 2007 was accepted. (9-0-1. Absent: Campos, Constant.)

## **TRANSPORTATION & AVIATION SERVICES**

- 6.3 (a) Approval of the third amendment to the contract with Hensel Phelps Construction Company (Hensel Phelps) for design and construction of the Airport Terminal Area Improvement Program to increase the maximum not-to-exceed contract compensation by \$27,933,000, from \$664,177,382 to \$692,110,382;**
- (b) Allow for the release of retention for structural steel for Terminal B prior to 50% completion of the project element; and**
- (c) Authorize the City Manager to increase the estimated premium and estimated loss reserves in the City's current Owner Controlled Insurance Program for the Airport's Master Plan projects with American International Group from \$25,000,000 to a total amount not-to-exceed \$26,000,000.**

**CEQA: Resolution Nos. 67380 and 71451, File No. PP08-099. (Airport/Public Works)**

Documents Filed: Memorandum from Director of Public Works Katy Allen and Director of Aviation William Sherry, dated June 2, 2008, recommending approval of the third amendment to the contract.

Action: Upon motion by Vice Mayor Cortese, seconded by Council Member Pyle and carried unanimously, the third amendment to the contract with Hensel Phelps Construction Company for design and construction of the Airport Terminal Area Improvement Program to increase the maximum not-to-exceed contract compensation by \$27,933,000, from \$664,177,382 to \$692,110,382 and the release of retention for structural steel for Terminal B prior to 50% completion of the project element were approved; the City Manager was authorized to increase the estimated premium and estimated loss reserves in the City's current Owner Controlled Insurance Program for the Airport's Master Plan projects with American International Group from \$25,000,000 to a total amount not-to-exceed \$26,000,000. (9-0-2. Absent: Campos, Constant.)

- 6.4 (a) **Approval to reject all bids received on April 17, 2008 for the Street Resurfacing 2008 Backlog Reduction Project.**
- (b) **Accept the report on bids received on May 27, 2008 for the Street Resurfacing 2008 Backlog Reduction Project and award of contract to the low bidder, Top Grade Construction, Inc. in the amount of \$7,985,708 and approval of a five percent (5%) contingency in the amount of \$400,000.**
- CEQA: Exempt, File No. PP06-066. (Transportation)**

Documents Filed: Memorandum from Director of Transportation James Helmer, dated May 30, 2008, recommending rejection of all bids and award of the contract to the low bidder.

Vice Mayor Cortese requested an information memorandum regarding the equity of funds being spent in District 8.

Action: Upon motion by Council Member Williams, seconded by Council Member Chirco and carried unanimously, all bids were rejected, the award of the contract to the low bidder, Top Grade Construction, Inc. in the amount of \$7,985,708, with related contingency was approved, and Staff was requested to provide an information memorandum regarding the equity of funds being spent in District 8. (10-0-1. Absent: Constant.)

## **COMMUNITY AND ECONOMIC DEVELOPMENT**

- 4.3 **Acceptance of Report on making the Special Tenant Improvement Industrial Tool Installation programs permanent with certain modifications. CEQA: Not a Project. (Planning, Building and Code Enforcement/Economic Development)**  
**(Deferred from 6/10/08 – Item 4.3)**

Documents Filed: Replacement memorandum from Director of Planning, Building and Code Enforcement Joseph Horwedel and Chief Development Officer Paul Krutko, dated June 3, 2008, providing more detail and clarity regarding the recommended changes in the Special Tenant Improvement Program and Industrial Tool Installation Program and recommending acceptance of the report.

Council Member Liccardo requested that Staff report back to the Community and Economic Development Committee in 6 to 9 months.

Action: Upon motion by Council Member Williams, seconded by Council Member Constant and carried unanimously, the report on making the Special Tenant Improvement Industrial Tool Installation programs permanent with certain modifications was accepted. Staff requested to report back to the Community and Economic Development Committee in 6 to 9 months. (11-0.)

## STRATEGIC SUPPORT SERVICES

- 3.11 As recommended by the Rules and Open Government Committee, adopt of position of support for AB1195 (Torrico), Recycling: Used Oil: Incentive Payments. (City Clerk)**

**[Rules Committee referral 6/11/08 – Item c(1)(a)]**

Documents Filed: Memorandum from City Clerk Lee Price, dated June 13, 2008, transmitting the recommendations of the Rules and Open Government Committee.

Action: Upon motion by Council Member Chirco, seconded by Council Member Liccardo and carried unanimously, Position of Support for AB1195 adopted. (11-0.)

The Council of the City of San José adjourned the morning session at 12:13 p.m.

## RECESS/RECONVENE

The City Council recessed at 12:13 p.m. from the morning Council Session and reconvened at 1:31 p.m. in the Council Chambers, City Hall.

Present: Council Members - Campos, Chirco, Chu, Constant, Cortese, Liccardo, Oliverio, Nguyen, Pyle, Williams; Reed.

Absent: Council Members - None.

City Clerk Lee Price read the requests for continuance of the applications. Upon motion by Council Member Campos, seconded by Council Member Nguyen, and carried unanimously, the below noted continuances and actions were taken as indicated. (11-0.)

## CEREMONIAL ITEMS

- 1.2 Presentation of a commendation to Jose Villanueva Jr. for his outstanding performance with the program “A Great American Litter Pick-Up”. (Cortese)**

Action: Dropped.

- 1.4 Presentation of a proclamation to Cadence Design Systems, Inc. declaring June 19, 2008 as “Cadence Day” in the City of San José in commemoration of its 20<sup>th</sup> Anniversary as a leading driving industry technology company headquartered in San José. (Mayor)**

Action: Mayor Reed recognized June 19, 2008 as “Cadence Day” in the City of San José in commemoration of its 20th anniversary in the City of San José.

- 1.5 Presentation of a proclamation declaring the month of June as “LGBT Month” in the City of San José and presentation of a commendation to the Billy DeFrank LGBT Community Center for its continuing perseverance in developing diverse resources to empower and support the LGBT Community Center and their allies. (Rules Committee referral 6/11/08)**

Action: Mayor Reed and Council Members Nguyen, Oliverio, Chirco and Chu recognized the month of June as “LGBT Month” in the City of San José for continuing to persevere in developing diverse resources to empower and support the LGBT Community Center.

- 1.7 Presentation of a commendation to Frank Schiavo for his passion for educating the public on environmental issues, dedication to environmental stewardship, and for the “greening” of his home. (Nguyen) (Rules Committee referral 6/11/08)**

Action: Mayor Reed and Council Member Nguyen recognized and commended Frank Schiavo for educating the public on environmental issues and for the “greening” of his home.

- 1.6 Presentation of a commendation to Flextronics for their presence in San José, support of the local economy and focus on environmental protection. (Mayor/Chu) (Rules Committee referral 6/11/08)**

Action: Mayor Reed, Council Member Chu and Chief Development Officer Paul Krutko recognized and commended Flextronics for their presence in the City of San José in support of the local economy.

## **STRATEGIC SUPPORT SERVICES**

- 3.8 Report of the Rules and Open Government Committee – May 21, 2008  
Mayor Reed, Chair**

Documents Filed: Rules and Open Government Committee Report dated May 21, 2008.

Action: Upon motion by Council Member Nguyen, seconded by Vice Mayor Cortese and carried unanimously, the Report of the Rules and Open Government Committee and the actions of May 21, 2008 were accepted. (11-0.)

- 3.9 Report of the Rules and Open Government Committee – May 28, 2008  
Mayor Reed, Chair**

Documents Filed: Rules and Open Government Committee Report dated May 28, 2008.

Action: Upon motion by Council Member Williams, seconded by Council Member Pyle and carried unanimously, the Report of the Rules and Open Government Committee and the actions of May 21, 2008 were accepted. (11-0.)

**3.10 Adoption of a resolution authorizing the Director of Finance to execute:**

- (a) **An agreement and purchase order for the cooperative purchase of office supplies with Corporate Express through the cooperative contract offered by the National Intergovernmental Purchasing Alliance starting July 1, 2008 until June 30, 2012 in an amount not-to-exceed \$1,200,000 for the initial year of the agreement.**
- (b) **Amendments to the initial purchase order to adjust the not-to-exceed compensation subject to annual appropriation of funding.**
- (c) **Execute subsequent annual Purchase Orders subject to annual appropriation of funding.**

**CEQA: Not a Project. (Finance)**

**(Deferred from 5/20/08 – Item 3.5, 6/3/08 – Item 3.4 and 6/10/08 – Item 3.8)**

Documents Filed: Memorandum from Director of Finance Scott Johnson, dated April 28, 2008, recommending adoption of a resolution.

Action: Dropped.

**COMMUNITY & ECONOMIC DEVELOPMENT**

**4.1 Report of the Community & Economic Development Committee – May 27, 2008  
Council Member Pyle, Chair**

Documents Filed: The Community and Economic Development Committee Report dated May 27, 2008.

Action: Upon motion by Council Member Pyle, seconded by Council Member Constant and carried unanimously, the Report of the Community and Economic Development Committee and the actions of May 27, 2008 were accepted. (11-0.)

**TRANSPORTATION & AVIATION SERVICES**

**6.1 Report of the Transportation and Environment Committee – June 2, 2008  
Council Member Williams, Chair**

Documents Filed: The Transportation and Environment Committee Report dated June 2, 2008.

Action: Upon motion by Council Member Williams, seconded by Council Member Pyle and carried unanimously, the Transportation and Environment Committee Report and the actions of June 2, 2008 were accepted. (11-0.)

## ENVIRONMENTAL & UTILITY SERVICES

### 7.4 Adoption of a resolution adopting a Council Policy titled "Prohibition of City Funding for Purchase of Single-serving Bottled Water." [Transportation and Environment Committee 6/2/08 – Item (b)]

Documents Filed: Memorandum from Senior Executive Analyst Vilcia Rodriguez, dated June 12, 2008, transmitting the referral from the Transportation and Environmental Committee.

Mayor Reed expressed concern about water for large public events and requested to add a specific exception to the policy for situations where there are no reasonable alternatives to bottled water, such as large public events, and when large quantities of water may need to be distributed for health and safety reasons.

Motion: Council Member Liccardo moved approval of the Staff recommendations, including the incorporation of Mayor Reed's specific exception. Council Member Williams seconded the motion.

Council Member Constant voiced objections to the policy city health and safety issues.

City Attorney Richard Doyle responded to Council questions and discussion followed.

Council Member Chu requested to amend the motion to ban all bottled drinks, including soft drinks. Council Member Liccardo declined to accept Council Member Chu's friendly amendment but suggested it be referred to the Transportation and Environment Committee.

Public Comments: Ross Signorino commented on the Staff recommendations.

Action: On a call for the question, the motion carried, Resolution No. 74444, entitled: "A Resolution of the Council of the City of San José Approving a New Council Policy entitled: Prohibition of City Funding for Purchase of Single Serving Bottled Water", was adopted, approving Council Policy 1-19, as amended: to include a specific exception to the policy for situations where there are no reasonable alternatives to bottled water, such as large public events, and when large quantities of water may need to be distributed for health and safety reasons. (10-1. Noes: Constant.)

Staff was directed to refer a suggestion to ban the purchase of canned and bottled soft drinks to the Transportation & Environment Committee. (11-0.)

## JOINT COUNCIL/REDEVELOPMENT AGENCY

- 9.1 (a) **Review, Discussion and Approval of the Mayor's 2008 June Budget Message**  
(b) **Adoption of a resolution by the City Council authorizing the City Manager to negotiate and execute grant agreements addressed in the Mayor's Budget Message which are for amounts that exceed the City Manager's contract authority.**  
**(Mayor)**

Documents Filed: (1) Memorandum from Mayor Reed, dated June 6, 2007, recommending approval of the Mayor's 2008 June Budget Message, adoption of a resolution and authorize the changes in the Manager's Budget Addenda. (2) Memorandum from Council Members Campos and Williams, dated June 16, 2008, requesting five additions to the Mayor's 2008 June Budget Message (online). (3) Memorandum from Council Member Campos, dated June 13, 2008, recommending approval of the Mayor's 2008 June Budget Message with eight amendments (online). (4) Memorandum from Council Member Oliverio, dated June 16, 2008, recommending approval of an allocation of \$1,131,000 from the Economic Uncertainty Reserve an close the Willow Glen Library on Mondays for three years which equals \$165,000 to keep the San José Fire Department staffed at its current level and to specifically keep a fire engineer position at Fire Station 6 for three years. (5) Six letters from the public all dated June 17, 2008, regarding the Mayor's 2008 June Budget Message. (6) Approximately 540 signatures regarding the Mayor's 2008 June Budget Message and public safety.

Mayor Reed provided an overview of the Mayor's 2008 June Budget Message, with three amendments: (1) that proceeds from the sale of 410 Park Avenue be designated for traffic calming improvements; (2) rebudget \$32,500 to the Office of the Independent Police Auditor to continue funding the Office Specialist position through December 2008; and (3) to incorporate Council Members Campos and Williams' proposal to add five more police officers to the Mayor's proposal to add 100 officers, by looking at subsidies and assets; and further to bring it back at mid-year.

Motion: Council Member Constant moved approval of the Mayor's 2008 June Budget Message, including the three additions as outlined by Mayor Reed, and the Staff recommendations. Council Member Nguyen seconded the motion.

Acting Budget Director Jennifer Maguire responded to Council questions and concerns. Extensive Council discussion followed.

Council Member Oliverio summarized his memorandum dated June 16, 2008 recommending approval of an allocation of \$1,131,000 from the Economic Uncertainty Reserve and closing the Willow Glen Library on Mondays for three years, for a total of \$165,000 to keep the San José Fire Department staffed at its current level and to specifically keep a fire engineer position at Fire Station 6 for three years.

Council Member Pyle argued for greater emphasis on economic development activities, including expanding the City's retail sales strategy and approving modifications to the Sign Ordinance.

9.1 (Cont'd.)

Council Member Nguyen expressed opposition to the recommendations outlined in the joint memorandum from Council Members Williams and Campos, dated June 16, 2008.

Staff responded to questions from Council Member Chirco relative to Fire Station #6. Council Member Chirco indicate that she could not support Council Member Oliverio's request.

Council Members Liccardo and Chu and Vice Mayor Cortese voiced support for the Mayor's Budget Message, as amended.

Vice Mayor Cortese indicated that he would, however, oppose rates for San José Municipal Water.

Public Comments: Randy Sekany objected to the elimination of the hose wagon at Fire Station 6 in District 6. Ross Signorino, David Powell (San José Restaurant and Entertainment Association) and Phaedra Ellis Lamkins expressed support of the Mayor's 2008 June Budget Message.

Amendment to the Motion: Council Member Oliverio requested to add to the motion his recommendations outlined in his memorandum dated June 16, 2008. Council Member Liccardo seconded the motion. The motion failed. (2-9. Noes: Campos, Chirco, Chu, Constant, Cortese, Nguyen, Pyle, Williams; Reed.)

Action: On a call for the question, the original motion carried, the Mayor's 2008 Budget Message was approved, with the addition of: (1) Proceeds from the sale of 410 Park Avenue to be designated for traffic calming improvements. (2) Rebudget \$32,500 to the Office of the Independent Police Auditor to continue funding the Office Specialist position through December 2008. (3) Incorporate Council Members Campos and Williams' proposal to add five more police officers into the Mayor's proposal for adding 100 officers by looking at subsidies and assets; and bring it back at mid-year. (4) Refer to the City Manager for more study the proposal by Council Members Campos and Williams to shut off ten percent of streetlights in arterials and industrial areas; and bring it back at mid-year; Resolution No. 74445, entitled: "A Resolution of the Council of the City of San José Authorizing the City Manager to Negotiate and Execute Certain Grant Agreements Addressed in the Mayor's 2008 Budget Message and Approved Amendments in Amounts that Exceed the City Manager's Contract Authority", was adopted. (10-1. Noes: Oliverio.)

## ENVIRONMENTAL & UTILITY SERVICES

### 7.1 Adoption of a resolution setting the Sanitary Sewer Service and Use Charges and the Storm Sewer Service Charges for FY 2008-09

- (a) Sanitary Sewer Service and Use Charge rates:
- |   |                        |
|---|------------------------|
| (1) Single-Family Residential           | \$27.09/Month          |
| (2) Multi-Family Residential            | \$15.42 Per Unit/Month |
| (3) Mobile Home                         | \$15.47 Per Unit/Month |
| (4) Non-monitored commercial/industrial | See Attachment A       |
| (5) Monitored industrial                | See Attachment A       |
- (b) Storm Sewer Service Charge rates:
- |   |                       |
|---|-----------------------|
| (1) Single-Family Residential and Duplex                | \$5.88/Month          |
| (2) Mobile Home   | \$2.95 Per Unit/Month |
| (3) Large Multi-Family Residential<br>(5 or more units) | \$3.22/Month          |
| (4) Residential Condominium                             | \$3.22 Per Unit/Month |
| (5) Small Multi-Family Residential<br>(3-4 units)       | \$11.17/Month         |
| (6) Commercial, institutional and industrial            | See Attachment B      |

**CEQA: Not a Project. (Environmental Services)**

Documents Filed: (1) Memorandum from Director of Environmental Services John Stufflebean, dated May 27, 2008, recommending adoption of resolutions. (2) Replacement memorandum from Director of Environmental Services John Stufflebean, dated June 16, 2008, replacing Attachment A-3 with the correction information.

Public Comments: David Wall objected to the Staff recommendations.

Action: Upon motion by Council Member Liccardo, seconded by Council Member Pyle and carried unanimously, Resolution No. 74446, entitled: "A Resolution of the Council of the City of San José Setting Schedules of Sanitary Sewer Service and Use Charges and Storm Sewer Service Charges for Fiscal Year 2008-2009", was adopted. (9-0-2. Absent: Campos, Constant.)

### 7.2 Adoption of a resolution increasing the San José Municipal Water System potable water rates and charges by 8.8% effective July 1, 2008. CEQA: Not a Project. Council Districts 2, 4, 7 and 8. (Environmental Services)

Documents Filed: (1) Memorandum from Director of Environmental Services John Stufflebean, dated May 27, 2008, recommending adoption of a resolution. (2) Proof of Publication of Notice of Public Hearing, executed on May 15, 2008, submitted by the City Clerk.

Vice Mayor Cortese expressed opposition to the rate increase and the transfer of money to the General Fund. He added that he believes there is a fundamental problem that results in taxpayers paying over and above what the water costs.

## 7.2 (Cont'd.)

Motion: Vice Mayor Cortese moved to deny the rate increase. Council Member Chu seconded the motion.

City Attorney Richard Doyle and Director of Environmental Services John Stufflebean responded to Council questions and concerns.

On a call for the question, the motion to deny the rate increase failed: (5-6. Noes: Chirco, Constant; Nguyen, Oliverio, Williams; Reed.)

Action: Upon motion by Council Member Constant, seconded by Council Member Chirco and carried, Resolution No. 74447, entitled: "A Resolution of the Council of the City of San José to Establish New Quantity Charges for Potable Water Service Effective July 1, 2008", was adopted. (6-5. Noes: Campos, Chu, Cortese, Liccardo, Pyle.)

## 7.3 **Adoption of a resolution setting wholesale recycled water rate discounts over a three year period for landscape irrigation of \$145 per acre-foot (2008-09), \$125 per acre-foot (2009-10), and to \$105 per acre-foot (2010-11) and setting a discount over a one year period of \$345 per acre-foot (2008-09) for recycled water used for industrial and agricultural use. CEQA: Not a Project. (Environmental Services)**

Documents Filed: (1) Memorandum from Director of Environmental Services John Stufflebean, dated May 27, 2008, recommending adoption of a resolution. (2) Letter from the Treatment Plant Advisory Committee, dated June 12, 2008, stating concurrence with the Staff recommendation.

Public Comments: David Wall spoke in opposition to the Staff recommendations.

Action: Upon motion by Council Member Williams, seconded by Council Member Constant and carried unanimously, Resolution No. 74448, entitled: "A Resolution of the Council of the City of San José Adopting Wholesale Recycled Water Rates for the South Bay Water Recycling Program Effective July 1, 2008", was adopted. (11-0.)

## JOINT COUNCIL/REDEVELOPMENT AGENCY

- 9.2 (a) **Adoption of a resolution by the City Council approving the Operating Budget for Fiscal Year 2008-2009 for the City of San José, the Capital Budget for Fiscal Year 2008-2009 for the City of San José, and the Five Year Capital Improvement Program for Fiscal Year 2009-2013 for the City of San José as revised by the Mayor's Budget Message and directing the City Manager to prepare final documents for adoption.**
- (b) **Adoption of a resolution by the City Council establishing the Schedule of Fees and Charges for Fiscal Year 2008-2009.**

- 9.2 (c) Adoption of a resolution by the City Council establishing fees and charges for recreational and park activities.
- (d) Adoption of a resolution by the City Council establishing fees and charges for use of City Hall.

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

- (e) Adoption of resolutions by the Agency Board approving:
- (1) Operating Budget for Fiscal Year 2008-2009 for the Redevelopment Agency of the City of San José.
  - (2) Capital Budget for Fiscal Year 2008-2009 for the Redevelopment Agency of the City of San José.

**CEQA: Not a Project. (Redevelopment Agency)**

Documents Filed: See Appendix A on Pages 48 through 52.

Motion: Council Member Liccardo moved approval of the Staff recommendations. Council Member Nguyen seconded the motion.

Public Comments: Susan Espinoza expressed concern about the elimination of the Hose Wagon at Fire Station 6 in Willow Glen.

Vice Mayor Cortese noted for the record his objection to a rate increase for San José Municipal Water but indicated he would support the approval of the Budget.

Action: On a call for the question, the motion carried unanimously, Resolution No. 74449, entitled: "A Resolution of the Council of the City of San José Approving for Adoption the Operating Budget for Fiscal Year 2008-2009"; Resolution No. 74450, entitled: Approving for Adoption the Capital Budget for Fiscal Year 2008-2009 and Resolution No. 74451, entitled: "A Resolution of the Council of the City of San José Approving for Adoption the Five Year Capital Improvement Program for Fiscal Years 2009-2013", were adopted. (11-0.); The increase of the San José Municipal Water System potable water rates and charges by 8.8% effective July 1, 2008 were approved. (10-1. Noes: Cortese.); and Resolution No. 74452, entitled: "A Resolution of the Council of the City of San José Amending Resolution No. 72737 to Amend and Establish Various Fees and Charges Effective July 1, 2008; Resolution No. 74453, entitled: "A Resolution of the Council of the City of San José Setting the Schedule of Fees for the Use of Parks and Recreational Facilities and Repealing Resolution No. 74279, to be Effective as Indicated Below"; Resolution No. 74454, entitled: "A Resolution of the Council of the City of San José Setting the Schedule of Fees for Use of the City Hall and Plaza and Superseding Resolution No. 73488, to be Effective July 1, 2008"; Redevelopment Agency Resolution No. 5832, entitled: "A Resolution of the Board of Directors of the Redevelopment Agency of the City of San José Approving the Operating Budget for Fiscal Year 2008-2009 for the Redevelopment Agency of the City of San José" and Redevelopment Agency Resolution No. 5833, entitled: "A Resolution of the Board of Directors of the Redevelopment Agency of the City of San José Approving the Capital Budget for the Fiscal Year 2008-2009 for the Redevelopment Agency of the City of San José", were adopted. (11-0.)

**9.3 Adoption of an urgency ordinance:**

- (a) Placing a moratorium of the installation and relocation of freestanding news racks within the Downtown Core and the Civic Plaza Redevelopment Project Area; and,**
- (b) Establishing a consolidated pedestal mounted news rack pilot program within the Downtown Core and the Civic Plaza Redevelopment Project Area for a period of July 1, 2008 to June 30, 2010.**

**CEQA: Resolution No. 72767. Council District 3. (City Manager's Office/ Redevelopment Agency)**

Action: Deferred to August 12, 2008 per Redevelopment Agency.

**COMMUNITY AND ECONOMIC DEVELOPMENT**

- 4.2 (a) Provide guidance and feedback to staff at this mid-way point in the review of a potential Citywide Inclusionary Housing Ordinance.**
- (b) Accept the Economic Feasibility Analysis Study completed by David Paul Rosen and Associates related to Citywide Inclusionary Housing in the City of San José.**

**CEQA: Not a Project. (Housing)**

**(Deferred from 5/20/08 – Item 4.4 and 6/3/08 – Item 4.5)**

Documents Filed: (1) Memorandum from Council Member Liccardo, dated June 6, 2008, recommending and providing direction to Staff. (2) Memorandum from Director of Housing Leslye Krutko, dated May 6, 2008, recommending guidance and feedback to Staff; and acceptance of the economic feasibility analysis study. (3) Eleven letters of correspondence from the public, all dated June 17, 2008, regarding the San José Inclusionary Housing Study.

Director of Housing Leslye Krutko introduced David Rosen, David Paul Rosen & Associates, who provided an overview of the San José Inclusionary Housing Study.

Public Comments: Speaking in support of the memorandum from Council Member Liccardo were: Gabriela Hill, Andrae Macapinlac and Sarah Bronstein (Students Enacting Change), Bob Brownstein, Carl Guardino, Shiloh Ballard (SVLG), Michelle Beasley (Greenbelt Alliance), Bonnie Mace (HCDC), Phaedra Ellis Lamkins (South Bay Labor Council), James Zahradha (Law Foundation of Silicon Valley), Charlotte Casey (San José Peace and Justice Center), Joshua Howard (California Apartment Association), Marlene Spilman, Betsy Arroyo (Santa Clara County Collaborative), Chris Block, Deacon Lee Barford (PACT), Gregory Kepferle (Catholic Charities), Katherine Bock (The Lisite), Sandy Pertt (Community Homeless Alliance Ministry) and Kerri Hamilton (Citizens for Environmental and Economic Justice).

Speaking in opposition to the memorandum from Council Member Liccardo were: Charles Davidson, Mark Lazarrini (DAL Properties), Joe Head (Summerhill Homes), Michael Van Every, Erik Hayen (Republic Urban Properties), Paul Van Every (First American Title), David Tucking, Brian Skarbek, Gregory Hanle, Charles McKeag, Stve

Schott (Citation Homes), Jennifer Rodriguez, Joseph Perkins (Home Builders of Northern California), Anil Babbar (Santa Clara County Realtors), Jody Hansen, (San José Silicon Valley Chamber of Commerce) and Brad Durga (Arcadia Homes). Mark Trout spoke off topic.

Motion: Council Member Pyle moved to postpone receipt of the Study. Council Member Constant seconded the motion.

Substitute Motion: Council Member Liccardo moved to receive the Study, approval of his memorandum and for Staff to return to the Community Economic Development and Neighborhood Services and Education Committee with updates. Council Member Campos seconded the motion.

Council Member Constant expressed concern that residents in his district have not had time to provide input.

Director of Housing Leslye Krutko stated that Staff will continue to conduct outreach, return in August to the Council Committees and then to the full Council.

Council Member Nguyen requested a friendly amendment to the substitute motion for Staff to return to Council in the Fall for discussion and consideration. The amendment was accepted by Council Members Liccardo and Campos.

Director of Housing Leslye Krutko responded to Council questions and concerns. Extensive discussion followed with direction as noted in "Action".

Action: On a call for the question, the substitute motion carried, the memorandum from Council Member Liccardo, dated June 6, 2008, was approved, including the following: (1) Direct staff to actively pursue outreach to and communication with the development community as described on Page 2 in the May 6, 2008 Staff memorandum. (2) Return in Fall 2008 with an inclusionary housing proposal for Council approval that contains a range of alternatives, but which include the following elements at a minimum: (a) Expands inclusionary obligations beyond redevelopment areas. (b) Contains a "pressure-release valve" mechanism to adjust the inclusionary percentage downward during periods of below-average housing starts. (c) Protects projects in "the pipeline" from retroactive application of inclusionary obligations, with a range of alternatives on how to define the pipeline. (d) Allows for sufficient flexibility for developers in satisfying their inclusionary obligation, including but not limited to: (1) Allowing the developer to determine which units within a development will be designated below-market-rate. (2) Allowing the construction of units off-site. (3) Permitting the payment of fees or contribution of equivalent land in lieu of building the affordable unit. (a) (2) (d) (4) Credit-trading among developers, and/or any of the incentives and off-sets described on Page 4 of the May 6, 2008 Staff memorandum; (e) Contains reduced "in-lieu fees" or waived requirements for housing types having uniquely low profit margins. (f) Determines the percentage of inclusionary units to be required by this policy which will not exceed 20% for any area of the City. (g) Offers alternatives for "phasing" in any new

#### 4.2 (Cont'd.)

requirements over time. (3) Since many of these issues require substantial discussion of nuanced details of policies, the City Manager and Redevelopment Agency Director were further directed to engage in a series of interviews with members of the development community concerning the costs, benefits, and impacts of variations of elements in the above recommendation and other relevant elements. (4) Provide a status report for City Council review on: (a) Existing City and Redevelopment policies and programs and how the affordable housing policy goals have been met over the years. (b) The results of the Redevelopment 20% housing program, including the number of units achieved citywide and in project areas over the past two decades, and the number envisioned to be built citywide and in redevelopment areas in the foreseeable future. (c) Opportunities and alternatives to increase the supply of affordable housing in San José as identified by the development community; The Economic Feasibility Analysis Study completed by David Paul Rosen and Associates related to Citywide Inclusionary Housing in the City of San José was received. (7-4. Noes: Constant, Cortese, Oliverio, Pyle.)

- 4.4 Conduct a public hearing and adoption of a resolution ordering the reorganization of territory designated as Burbank No. 40, which involves the annexation to the City of San José of approximately 2.78 acres of land located at the northwest corner of West San Carlos Street and Brooklyn Avenue and public right-of-way along West San Carlos Street, Brooklyn Avenue, and Topeka Avenue, and the detachment of the same from the appropriate special districts, including Central Fire Protection, Area No. 01 (Library Services) County Service, Burbank Sanitary and County Lighting County Services. CEQA: EIR Resolution No. 65459. Council District 6. (Planning, Building and Code Enforcement)**

Action: Deferred to June 24, 2008 per Administration.

- 4.5 Adoption of a resolution authorizing the City Manager to negotiate and execute an agreement with Tom Otterness to design, fabricate and install public artwork for the Happy Hollow Park and Zoo in a total amount not-to-exceed \$932,500. CEQA: Exempt, File No. PP05-184. (Economic Development)  
(Deferred from 6/3/08 – Item 2.8 and 6/10/08 – Item 4.4)**

Action: Deferred to June 24, 2008 per Administration.

## NEIGHBORHOOD SERVICES

- 5.2 (a) Consideration of the proposal by Council Member Pete Constant to change the current Library Internet Access and Computer Use Policy, which now provides open access to the Internet, to one that filters Internet access to reduce the viewing of pornography on library computers.
- (b) If City Council decides to change the current policy, that Council provides specific direction to staff to develop and bring to Council for approval a new policy, based on the policy options or variations thereof as outlined in the report.

**CEQA: Not a Project. (Library)**

Action: Dropped to be renoticed.

- 5.3 Report on bids and take appropriate action based on the evaluation of bids for the Bascom Library and Community Center Project. CEQA: Exempt, File No. PP07-081. Council District 6. SNI: Burbank/Del Monte. (Parks, Recreation and Neighborhood Services/Library/Public Works)  
(Deferred from 6/10/08 – Item 5.3)

Action: Deferred to June 24, 2008 per Administration.

## ADJOURNMENT

The Council of the City of San José adjourned the afternoon session at 6:45 p.m.

## RECESS/RECONVENE

The City Council recessed at 6:45 p.m. from the afternoon Council Session and reconvened at 7:11 p.m. in the Council Chambers, City Hall.

Present: Council Members - Campos, Chirco, Chu, Constant, Cortese, Liccardo, Oliverio, Nguyen, Pyle, Williams; Reed.

Absent: Council Members - None.

City Clerk Lee Price read the requests for continuance of the applications. Upon motion by Council Member Constant, seconded by Council Member Williams, and carried unanimously, the below noted continuances and actions were taken as indicated. (11-0.)

## CEREMONIAL ITEMS

- 1.1 Presentation of a commendation to the Strong Neighborhoods Initiative Project Advisory Committee for its invaluable civic leadership and community engagement in revitalizing the neighborhoods in San José. (Mayor/Redevelopment Agency) (Deferred from 6/3/08 – Item 1.7)**

Action: Mayor Reed and Redevelopment Agency Executive Director Harry S. Mavrogenes recognized and commended the Strong Neighborhoods Initiative Project Advisory Committee for its important civic leadership in revitalizing the neighborhoods in San José.

- 1.3 Presentation to the San José City Council of the 2007 California League Championship Ring for the San José Giants. (Cortese)**

Action: The 2007 California League Championship Ring for the San José Giants was presented to Mayor Reed on behalf of the City Council of San José.

- 1.8 Presentation of a commendation to Aidan Piceno, Cameron McElroy and Justin Hendryx for their creativity in naming the three falcon chicks. (Mayor)**

Action: Mayor Reed, Council Members Oliverio, Liccardo and Pyle recognized and commended Aidan Piceno, Cameron McElroy and Justin Hendryx for their creativity in naming the three falcon chicks.

## ENVIRONMENTAL & UTILITY SERVICES

- 7.5 **Approval of a "Green Cities California Sustainability Resolution" expressing San José's commitment to work cooperatively with other California local governments to accelerate local, regional, national, and international efforts to achieve sustainability by:**
- (a) **Combining forces with other Green Cities California members to influence State and National sustainability policies and legislation.**
  - (b) **Collaborating with other local governments throughout the state and the nation to adopt and implement sustainable policies and practices.**
  - (c) **Working to achieve the following objectives for municipal operations:**
    - (1) **In 2007-08:**
      - (a) **Purchase of "100% post-consumer recycled" paper for all City operations.**
      - (b) **Limit the use of City funds for purchase of single serving bottled water.**
    - (2) **In 2008-2010:**
      - (a) **A campaign for municipal purchase of local California foods**
      - (b) **A carbon offset plan for City employee air travel**
      - (c) **Emission reduction standards for City vehicle fleets**
- [Transportation and Environment Committee 6/2/08 – Item (c)]

Documents Filed: Memorandum from Senior Executive Analyst Vilcia Rodriguez, dated June 2, 2008, transmitting the recommendations of the Transportation and Environment Committee

Motion: Council Member Liccardo moved approval of the Staff recommendations. Council Member Oliverio seconded the motion.

Public Comments: William Garbett objected to the Staff recommendations.

Council Member Constant requested to eliminate the purchase of carbon offset credits and instead to use the money for tree mitigations in the community. The request was accepted by Council Members Liccardo and Oliverio.

Action: On a call for the question, the motion carried unanimously, Resolution No. 74455, entitled: "A Resolution of the Council of the City of San José Approving the City's Commitments to Become a Member of Green Cities California and Expressing the City of San José's Commitment to Work Cooperatively with Other California Local Governments to Accelerate Local, Regional, National and International Efforts to Achieve Sustainability by Influencing Policies, Practices and Legislation", was adopted. (11-0.)

**7.6 Adoption of a resolution approving the design and installation of recycled water infrastructure at Mineta San José International Airport (SJC) as the near-term preferred alternative rather than using an equal dollar amount to enhance a future solar photovoltaic project. CEQA: Resolution Nos. 67380 and 71451, File No. PP08-071. (Airport)**

Documents Filed: Memorandum from Director of Environmental Services John Stufflebean, Director of Public Works Katy Allen and Director of Aviation William Sherry, dated June 6, 2008, recommending adoption of a resolution.,

City Manager Debra Figone provided a brief overview of the project.

Director of Aviation William Sherry presented the Staff report. Director of Environmental Services John Stufflebean summarized the benefits of using recycled water at the airport.

Director of Public Works Katy Allen and Director of Aviation William Sherry responded to questions from Council Member Williams. Discussion followed.

Public Comments: William Garbett objected to the Staff recommendations.

Action: Upon motion by Council Member Chirco, seconded by Council Member Pyle and carried, Resolution No. 74456, entitled: "A Resolution of the Council of the City of San José to Proceed with the Design and Installation of Recycled Water Infrastructure at the Norman Y. Mineta San José International Airport", was adopted. (10-1. Noes: Williams.)

**7.7 Approval of consultant master agreements with the following firms for various electrical capital improvement projects at the San José/Santa Clara Water Pollution Control Plant for a term commencing upon approval of the agreement and continuing through June 30, 2013, for the amounts stated below, and provisions in the agreements to allow the City to increase the amounts payable in such amounts as may be approved by Council:**

- (a) Winzler & Kelly in an amount not-to-exceed \$1.5 million.
- (b) Camp Dresser & McKee in an amount not-to-exceed \$1.5 million.
- (c) Black & Veatch in an amount not-to-exceed \$1.5 million.

**CEQA: Not a Project. (Environmental Services)**

Documents Filed: (1) Memorandum from Director of Environmental Services John Stufflebean, dated May 27, 2008, recommending adoption of a resolution. (2) Letter from the Treatment Plant Advisory Committee, dated June 12, 2008, stating concurrence with the Staff recommendation.

Action: Upon motion by Council Member Constant, seconded by Council Member Chirco and carried unanimously, the consultant master agreements with Winzler & Kelly, Camp Dresser & McKee and Black & Veatch were approved. (11-0.)

## PUBLIC HEARINGS ON CONSENT CALENDAR

Upon motion by Vice Mayor Cortese, seconded by Council Member Pyle, and carried unanimously, the Public Hearings on Consent Calendar was approved and the below listed actions were taken as indicated. (11-0.)

- 11.1 (a) **Conduct a public hearing and consider a resolution approving a Conservation Area Amendment to allow a seven-parcel expansion of the current boundaries of the Hanchett and Hester Park Conservation Area to include the following single-family detached residences: 23, 26, 27, 28, 31, 34 and 36 Tillman Avenue Cassandra Ravenscroft, project proponent. CEQA: Exempt. Director of Planning, Building and Code Enforcement and Planning Commission recommend approval (6-0-1). Council District 6. (Planning, Building and Code Enforcement)**  
**CA08-001 – District 6**  
**(Continued from 6/3/08 – Item 4.9)**

Action: Deferred to June 24, 2008 per Administration.

- (b) **Consideration of an ordinance rezoning the real property located at the northwest corner of Coleman Avenue and Newhall Street (former FMC site) to modify the development standards of the existing Planned Development Zoning District (File No. PDC98-104) to allow 24-hour drive-through uses by right, minor modifications to building setback and height requirements, minor technical or clarifying revisions, and other revisions to address traffic capacity on the southeasterly portion of an approximately 94.8 gross-acre site. The current zoning allows up to 3 million square feet of office/research & development and commercial retail uses (City of San José, Arcadia Development Company, Owner/Applicant). CEQA: EIR Resolution No. 71716 and Addenda thereto. Director of Planning, Building and Code Enforcement recommends approval. No Planning Commission action required.**  
**PDC08-017 – District 3**

Documents Filed: (1) Report of the Staff of the Department of Planning, Building and Code Enforcement on Project File No. PDC08-017, dated May 30, 2008, recommending approval. (2) Supplemental memorandum from Director of Planning, Building and Code Enforcement Joseph Horwedel, dated June 6, 2008, transmitting a minor technical revision and clarification regarding the vehicular tip allocation to Area 4 of the site. (3) Supplemental memorandum from Director of Planning, Building and Code Enforcement Joseph Horwedel, dated June 11, 2008, providing correspondence from the Santa Clara County Airport Land Use Commission, dated June 6, 2008. (4) Proof of Publication of Notice of Public Hearing, executed on May 30, 2008, submitted by the City Clerk.

Public Comment: Mayor Reed opened the public hearing. There was no testimony from the floor. Mayor Reed closed the public hearing.

11.1 (b) (Cont'd.)

Action: The recommendation of the Planning Director was approved, and Ordinance No. 28333, entitled: "An Ordinance of the City of San José Rezoning Certain Real Property Situated on the West Side of Coleman Avenue between Newhall Street and Brokaw Road from A(PD) Planned Development Zoning District to A(PD) Planned Development Zoning District", was passed for publication. (11-0.)

- (c) **Consideration of an ordinance rezoning the real property located at the southeast corner of Vine Street and Floyd Street (1312 Vine Street) from R-2 Residence Zoning District to A(PD) Planned Development Zoning District to allow three new single family residences and one existing single-family residence on a 0.34 gross acre site (Keys Melvin L and Margaret G, Owner). CEQA: Exempt. Director of Planning, Building and Code Enforcement and Planning Commission recommend approval (6-0-1).  
PDC07-068 – District 3**

Documents Filed: (1) Report of the Staff of the Department of Planning, Building and Code Enforcement on Project File No. PDC07-068, dated May 16, 2008, recommending approval. (2) Memorandum from Planning Commission Secretary Joseph Horwedel, dated May 29, 2008, transmitting the recommendation of the Planning Commission. (3) Proofs of Publications of Notices of Public Hearings, executed on May 9, 2008 and May 30, 2008, submitted by the City Clerk.

Public Comment: Mayor Reed opened the public hearing. There was no testimony from the floor. Mayor Reed closed the public hearing.

Action: The recommendation of the Planning Commission and the Planning Director was approved, and Ordinance No. 28334, entitled: "An Ordinance of the City of San José Rezoning Certain Real Property Situated on the Southeast Corner of Vine Street and Floyd Street (1312 Vine Street) to A(PD) Planned Development Zoning District", was passed for publication. (11-0.)

- (d) **Consideration of an ordinance rezoning the real property located on the west side of North 4<sup>th</sup> Street, approximately 230 feet north of East St. James Street (237 North 4<sup>th</sup> Street) from CG Commercial General Zoning District to A(PD) Planned Development Zoning District for construction of two live/work units on a 0.08 gross acre site (Zajonc Larry W and Smith-Zajonc Janice A Tr, Owner). CEQA: Exempt. Director of Planning, Building and Code Enforcement and Planning Commission recommend approval (6-0-1).  
PDC08-018 – District 3**

Documents Filed: (1) Report of the Staff of the Department of Planning, Building and Code Enforcement on Project File No. PDC08-018, dated May 19, 2008, recommending approval. (2) Memorandum from Planning Commission Secretary Joseph Horwedel, dated May 30, 2008, transmitting the recommendation of the Planning Commission. (3) Proof of Publication of Notice of Public Hearing, executed on May 9, 2008, submitted by the City Clerk.

11.1 (d) (Cont'd.)

Public Comment: Mayor Reed opened the public hearing. There was no testimony from the floor. Mayor Reed closed the public hearing.

Action: The recommendation of the Planning Commission and the Planning Director was approved, and Ordinance No. 28335, entitled: "An Ordinance of the City of San José Rezoning Certain Real Property Situated on the West Side of North 4<sup>th</sup> Street, Approximately 230 Feet North of East St. James Street (237 North 4<sup>th</sup> Street) to A(PD) Planned Development Zoning District", was passed for publication. (11-0.)

- (e) **Consideration of a Planned Development Rezoning and Billboard Height Alteration Agreement for the properties located at the northerly terminus of Industrial Avenue (1605 Industrial Avenue), the east side of Bascom Avenue approximately 180 feet south of Lindaire Avenue (1000 S. Bascom Avenue), the southerly terminus of Junction Court (1750 Junction Court), and the south west corner of Park Avenue and Sonoma Street. (Alvin B. Davidson Trustee & Et Al, Owner/Clear Channel Outdoor, Applicant). CEQA: Mitigated Negative Declaration. Director of Planning, Building and Code Enforcement recommends approval. No Planning Commission action required.**

(1) **Consideration of an ordinance rezoning from HI Heavy Industrial Zoning District to HI(PD) Planned Development Zoning District to allow relocation of a billboard face from 1000 Bascom Avenue to an existing trucking operation site at 1605 Industrial Avenue.**

**PDC08-002 – District 4**

(2) **Approve a Billboard Height Alteration agreement to require the removal of two existing billboards, located at the south west corner of Park Avenue and Sonoma Street and 1750 Junction Court to allow a dual-faced billboard at 1605 Industrial Avenue to extend up to 50' in height. SNI: Delmas Park. Council District 4 and 6.**

Documents Filed: Memorandum from Director of Planning, Building and Code Enforcement Joseph Horwedel, dated May 27, 2008, transmitting the Report of the Staff of the Department of Planning, Building and Code Enforcement on Project File No. PDC08-002, dated May 27, 2008, recommending approval.

Public Comment: Mayor Reed opened the public hearing. There was no testimony from the floor. Mayor Reed closed the public hearing.

Action: The recommendation of the Planning Director was approved, and Ordinance No. 28336, entitled: "An Ordinance of the City of San José Rezoning Certain Real Property Situated at the Northerly Terminus of Industrial Avenue (1605 Industrial Avenue) to HI(PD) Planned Development Zoning District", was passed for publication and the Billboard Height Alteration agreement was approved. (11-0.)

- 11.1 (f) **Consideration of an ordinance rezoning the real property located on the southwest corner of San Felipe Road and Aborn Road (3303 San Felipe Road) from CP commercial Pedestrian Zoning District to CN Commercial Neighborhood zoning district to allow commercial uses on a 0.75 gross acre site. CEQA: EIR Resolution No. 65459. Director of Planning, Building and Code Enforcement recommends approval. No Planning Commission action required.**  
**C08-026 – District 8**

Action: Continued to August 12, 2008 per Orders of the Day.

**END OF PUBLIC HEARINGS ON CONSENT CALENDAR**

## PUBLIC HEARINGS

- 11.2 **Consideration of a Planned Development Rezoning for a Master Plan for the Bellarmine College Preparatory Campus. The Project includes demolition of about 47,000 square feet of existing buildings and the new construction of 135,884 square feet resulting in 272,578 square feet (total) on an existing private high school on an approximately 30.05 gross acre site located in the area generally bounded by W. Hedding Street, Caltrain right-of-way, Stockton Avenue, Emory Street and Elm Street (960 W. Hedding Street) (Bellarmine College Preparatory, Owner). CEQA: Mitigated Negative Declaration and Addendum thereto. Director of Planning, Building and Code Enforcement and Planning Commission recommend approval with additional conditions for drop-off areas (6-0-1).**

**PDC07-072 – District 6**

**(Continued from 06/03/08– Item 11.6)**

Documents Filed: (1) Report of the Staff of the Department of Planning, Building and Code Enforcement on Project File No. PDC07-072, dated May 6, 2008, recommending approval. (2) Memorandum from Planning Commission Secretary Joseph Horwedel, dated May 30, 2008, transmitting the Planning Commission recommendation of approval. (3) Supplemental memorandum from Director of Planning, Building and Code Enforcement Joseph Horwedel, dated June 12, 2008, transmitting an Addendum to the Mitigated Negative Declaration. (4) Proof of Publication of Notice of Public Hearing, executed on May 2, 2008, submitted by the City Clerk.

Public Comment: Mayor Reed opened the public hearing. There was no testimony from the floor. Mayor Reed closed the public hearing.

Council disclosures were made by Mayor Reed, Vice Mayor Cortese and Council Members Oliverio, Liccardo, Constant, Chu, Chirco and Pyle.

Action: Upon motion by Council Member Oliverio, seconded by Vice Mayor Cortese and carried unanimously, the recommendation of the Planning Commission and the Planning Director was approved with additional conditions for drop-off areas, and Ordinance No. 28337, entitled: “An Ordinance of the City of San José Rezoning Certain Real Property in the Area Generally Bounded by West Hedding Street, the Caltrain Right of Way, Stockton Avenue, Emory Street and Elm Street to A(PD) Planned Development Zoning District”, was passed for publication. (11-0.)

- 11.3 Consideration of an ordinance rezoning the real property located on the west side of Lincoln Avenue extending from West San Carlos Street to the south and Pacific Avenue to the north, excluding the northwest corner of West San Carlos and Lincoln Avenue to allow the demolition of existing structures and the construction of 39 single-family attached residential and 2 live/work lofts on a 0.91 gross acre site (James & Tina Jean, Owners). SNI: Burbank/Del Monte. CEQA: Mitigated Negative Declaration.**

**PDC07-017 – District 6**

**(Deferred from 4/8/08 – Item 11.7, et al and 5/20/08 – Item 11.3)**

Documents Filed: Proof of Publication of Notice of Public Hearing, executed on March 14, 2008, submitted by the City Clerk.

Action: Dropped per Applicant.

- 11.4 Consideration of an ordinance amending Section 20.70.010 of Chapter 20.70 of Title 20 of the San José Municipal Code to expand the area to which the Downtown Zoning Regulations apply to include the area bounded by Fourth Street, St. John Street, Seventh Street, and San Fernando Street, and to make other related technical or clarifying changes. CEQA: EIR Resolution No. 72767. Director of Planning, Building and Code Enforcement and Planning Commission recommend approval (6-0-1).**

**Citywide**

**(Continued from 05/20/08 – Item 11.5)**

Documents Filed: (1) Memorandum from Planning Commission Secretary Joseph Horwedel, dated May 15, 2008, transmitting the Planning Commission recommendation of approval. (2) Proof of Publication of Notice of Public Hearing, executed on May 4, 2008, submitted by the City Clerk.

Public Comment: Mayor Reed opened the public hearing. Jim Crawford spoke in support to the Staff recommendations. Mayor Reed closed the public hearing.

Action: Upon motion by Council Member Council Member Liccardo, seconded by Council Member Pyle and carried unanimously, the recommendation of the Planning Commission and the Planning Director was approved, and Ordinance No. 28338, entitled: “An Ordinance of the City of San José Amending Section 20.70.010 of Chapter 20.70 of Title 20 of the San José Municipal Code to Expand the Area to Which the Downtown Zoning District Regulations Apply to Include an Area Bounded by 4<sup>th</sup> Street, St. John Street, 7th Street and San Fernando Street”, was passed for publication. (11-0.)

- 11.5 Consideration of an ordinance approving a Development Agreement Amendment to the Cisco Alviso Development Agreement for the area generally bounded by Highway 237, N. First Street, Grand Boulevard, and Disk Drive to amend Ordinance 26136, adopted on June 20, 2000, to extend by six months a certain project occupancy date set forth in a Development Agreement between the City and Cisco Technology, Inc. relative to the development of property in North San José and to ratify and restate the effectiveness of the Development Agreement and authorizing the City Clerk to execute the Amended Development Agreement (Cisco Technologies, Owner/Applicant). CEQA: EIR Resolution No. 69636. Director of Planning, Building and Code Enforcement and Planning Commission recommend approval (7-0-0). Development Agreement Amendment #1 to the Cisco Alviso Development Agreement.**

**District 4**

Documents Filed: (1) Memorandum from Director of Planning, Building and Code Enforcement Joseph Horwedel, dated June 4, 2008, transmitting the Report of the Staff of the Department of Planning, Building and Code Enforcement. (2) Memorandum from Planning Commission Secretary Joseph Horwedel, dated June 12, 2008, transmitting the Planning Commission recommendation. (3) Proof of Publication of Notice of Public Hearing, executed on May 30, 2008, submitted by the City Clerk.

Public Comment: Mayor Reed opened the public hearing. There was no testimony from the floor. Mayor Reed closed the public hearing.

Meeting disclosures were made by Mayor Reed and Council Member Chu.

Action: Upon motion by Council Member Chu, seconded by Council Member Pyle and carried unanimously, the recommendation of the Planning Commission and the Planning Director was approved, and Ordinance No. 28339, entitled: "An Ordinance of the City of San José Amending Ordinance No. 26136, Which Ordinance Approved a Development Agreement with Cisco Technology, Inc. Relative to the Development of Real Property in North San José, to Allow Amendment of a Certain Occupancy Deadline Contained in the Original Development Agreement and to Ratify the Effectiveness of the Original Development Agreement from November 13, 2000 and Authorizing the City Clerk to Execute the Amended Development Agreement", was passed for publication. (11-0.)

- 11.6 Consideration of an ordinance rezoning the real property located on the southeast corner of River Oaks Parkway and Seeley Avenue from IP Industrial Park Zoning District to the A(PD) Planned Development Zoning District to allow up to 777 multi-family attached residences and a 2.58 acre public park on a 14.3 gross acre site (Essex Portfolio, LP, Owner / Essex Property Trust, Inc., Developer). CEQA: EIR Resolution No. 72768 and Addendum thereto. Director of Planning, Building and Code Enforcement and Planning Commission recommend approval (7-0-0).**

**PDC06-067 – District 4**

## 11.6 (Cont'd.)

Documents Filed: (1) Report of the Staff of the Department of Planning, Building and Code Enforcement on Project File No. PDC06-067, dated May 21, 2008, recommending approval. (2) Memorandum from Planning Commission Secretary Joseph Horwedel, dated May 29, 2008, transmitting the Planning Commission recommendation of approval. (3) Proof of Publication of Notice of Public Hearing, executed on May 9, 2008, submitted by the City Clerk.

Meeting disclosures were made by Mayor Reed and Council Member Chu.

Public Comment: Mayor Reed opened the public hearing. The Applicant asked for an increase in height for elevator shafts, chimneys up to 75 feet and to amend the development standards at the Planned Development stage for an extension. Mayor Reed closed the public hearing.

Director of Planning, Building and Code Enforcement Joseph Horwedel added that the City will allow up to 777 multi-family attached residential units and a 2.58 acre public park on a 14.3 gross acre site.

Action: Upon motion by Council Member Chu, seconded by Council Member Pyle and carried unanimously, the recommendation of the Planning Commission and the Planning Director was approved, and Ordinance No. 28340, entitled: "An Ordinance of the City of San José Rezoning Certain Real Property Situated on the Southeast Corner of River Oaks Parkway and Seely Avenue (545-575 River Oaks Parkway) to A(PD) Planned Development Zoning District", was passed for publication. (11-0.)

- 11.7 Consideration of an ordinance rezoning the real property located on the south side of Murphy Avenue approximately 400 feet easterly of Oakland Road (1180 Murphy Avenue) from A(PD) Planned Development Zoning District to A(PD) Planned Development Zoning District to allow the addition of commercial uses including office, retail, restaurant and warehouse uses within an existing industrial building on a 4.01 gross acre site (Bhupindar S. Dhillon Trustee & Et Al and Satindar Dhillon, Owner). CEQA: Exempt. Director of Planning, Building and Code Enforcement and Planning Commission recommend approval with conditions for maximum of 100 seats for restaurants, 10:00 p.m. closing time for non-industrial uses, and remove outdoor patio area so no outside dining or use (6-0-1).  
PDC07-042 – District 4**

11.7 (Cont'd.)

Documents Filed: (1) Memorandum from Council Member Chu, dated June 17, 2008, recommending approval of the Staff recommendation, with further conditions. (2) Report of the Staff of the Department of Planning, Building and Code Enforcement on Project File No. PDC07-0842 dated May 21, 2008, recommending approval with conditions. (3) Memorandum from Planning Commission Secretary Joseph Horwedel, dated May 30, 2008, transmitting the Planning Commission recommendation. (4) Supplemental memorandum from Director of Planning, Building and Code Enforcement Joseph Horwedel, dated May 28, 2008, transmitting revisions to the Staff recommendations to include the three additional conditions in the draft Development Standards. (5) Proof of Publication of Notice of Public Hearing, executed on May 9, 2008, submitted by the City Clerk.

Public Comment: Mayor Reed opened the public hearing. Mr. Dhillon (Owner) spoke about the parking issues of the project.

Meeting disclosures were made by Mayor Reed, Vice Mayor Cortese and Council Member Chu.

Motion: Council Member Chu moved approval of his memorandum dated June 17, 2008, with additional conditions for the project. Council Member Constant seconded the motion.

Director of Planning, Building and Code Enforcement Joseph Horwedel responded to Council questions.

Mayor Reed closed the public hearing.

Action: On a call for the question, the motion carried unanimously, the recommendation of the Planning Commission and the Planning Director was approved, and Ordinance No. 28341, entitled: "An Ordinance of the City of San José Rezoning Certain Real Property Situated at the South Side of Murphy Avenue Approximately 400 feet Easterly of Old Oakland Road (1180 Murphy Avenue) from A(PD) Planned Development Zoning District to A(PD) Planned Development Zoning District", was passed for publication; the memorandum from Council Member Chu, dated June 17, 2008 was approved, with the following conditions: (1) Staff directed to work with the applicant to minimize warehouse space in order to increase industrial usage and to resolve parking requirement issues by identifying compatible uses. (2) Decrease the maximum seating for any restaurant tenant to 50 seats. (3) Limit retail, restaurant and entertainment uses to the hours of 6:00 a.m. to 10:00 p.m. (4) Retain the existing rear patio and restrict its use for non-restaurant and non-entertainment uses. (11-0.)

- 11.8 Consideration of an ordinance zoning the real property located on the south side of Douglas Street approximately 200 feet easterly of S. Willard Avenue (1480 Douglas Street) from Unincorporated County to A(PD) Planned Development Zoning District to allow up to 6 attached single-family residences on a 0.43 gross acre site (Basheer Salameh, Owner). SNI: Burbank/ Del Monte. CEQA: Mitigated Negative Declaration. Director of Planning, Building and Code Enforcement and Planning Commission recommend approval (6-0-1).  
PDC07-089 – District 6**

Documents Filed: (1) Report of the Staff of the Department of Planning, Building and Code Enforcement on Project File No. PDC07-089, dated May 20, 2008, recommending approval. (2) Memorandum from Planning Commission Secretary Joseph Horwedel, dated May 29, 2008, transmitting the Planning Commission recommendation of approval. (3) Proof of Publication of Notice of Public Hearing, executed on May 2, 2008, submitted by the City Clerk.

Public Comment: Mayor Reed opened the public hearing. There was no testimony from the floor. Mayor Reed closed the public hearing.

Action: Upon motion by Council Member Oliverio, seconded by Council Member Pyle and carried unanimously, the recommendation of the Planning Commission and the Planning Director was approved, and Ordinance No. 28342, entitled: "An Ordinance of the City of San José Rezoning Certain Real Property Situated at the South Side of Douglas Street Approximately 200 Feet Easterly of South Willard Avenue (1480 Douglas Street) to A(PD) Planned Development Zoning District", was passed for publication. (11-0.)

- 11.9 Consideration of an ordinance rezoning the real property located on the west side of Lucretia Avenue approximately 250 feet south of Bellhurst Avenue from the R-1-8 Residential Zoning District to A(PD) Planned Development Zoning District to allow 10 Single-family attached and detached residences on a 1.0 gross acre site (Faucher Fred L and Constance M, Owner). SNI: Tully/Senter. CEQA: Mitigated Negative Declaration. Director of Planning, Building and Code Enforcement and Planning Commission recommend approval (4-3-0).  
PDC06-131 – District 7**

Documents Filed: (1) Memorandum from Council Member Nguyen, dated June 13, 2008, recommending approval of the Staff recommendation to approve the alternative policy. (2) Report of the Staff of the Department of Planning, Building and Code Enforcement on Project File No. PDC06-131, dated May 20, 2008, recommending approval. (3) Memorandum from Planning Commission Secretary Joseph Horwedel, dated May 29, 2008, transmitting the Planning Commission recommendation of approval. (4) Proof of Publication of Notice of Public Hearing, executed on May 9, 2008, submitted by the City Clerk.

Public Comment: Mayor Reed opened the public hearing. There was no testimony from the floor. Mayor Reed closed the public hearing.

Motion: Council Member Nguyen moved approval of the Staff recommendation of the alternative policy. Council Member Constant seconded the motion.

Director of Planning, Building and Code Enforcement Joseph Horwedel responded to Council questions.

Meeting disclosures were made by Council Member Nguyen.

Action: On a call for the question, the motion carried unanimously, the recommendation of the Planning Commission and the Planning Director was approved, and Ordinance No. 28343, entitled: "An Ordinance of the City of San José Rezoning Certain Real Property Situated at the West Side of Lucretia Avenue Approximately 250 Feet South of Bellhurst Avenue to A(PD) Planned Development Zoning District", was passed for publication as amended, without the retention of the existing single family residence, built circa 1918. (11-0.)

- 11.10 Consideration of an ordinance rezoning the real property located at/on the east side of Monterey Road approximately 700 feet northerly of Tully Road (2112 Monterey Road) from A(PD) Planned Development Zoning District to A(PD) Planned Development Zoning District to subdivide one parcel into two lots for an existing eating establishment and an existing single-room occupancy (SRO) living unit facility and to add new vehicular parking areas on a 2.88 gross acres site (Emergency Housing Consortium, Owner). CEQA: Exempt. Director of Planning, Building and Code Enforcement and Planning Commission recommend approval (5-0-1-1).**

**PDC08-012 – District 7**

Documents Filed: (1) Report of the Staff of the Department of Planning, Building and Code Enforcement on Project File No. PDC08-012, dated May 16, 2008, recommending approval. (2) Memorandum from Planning Commission Secretary Joseph Horwedel, dated May 29, 2008, transmitting the Planning Commission recommendation of approval. (3) Proof of Publication of Notice of Public Hearing, executed on May 9, 2008, submitted by the City Clerk.

Public Comment: Mayor Reed opened the public hearing. There was no testimony from the floor. Mayor Reed closed the public hearing.

Action: Upon motion by Council Member Nguyen, seconded by Council Member Pyle and carried unanimously, the recommendation of the Planning Commission and the Planning Director was approved, and Ordinance No. 28344, entitled: "An Ordinance of the City of San José Rezoning Certain Real Property Situated on the East Side of Monterey Road Approximately 700 Feet Northerly of Tully Road (2112 Monterey Road) to A(PD) Planned Development Zoning District", was passed for publication. (11-0.)

## **OPEN FORUM**

- (1) Mark Trout expressed religious viewpoints.

## **ADJOURNMENT**

The Council of the City of San José was adjourned at 8:46 p.m.

Minutes Recorded, Prepared and Respectfully Submitted by,

Lee Price, MMC  
City Clerk

smd/6-17-08 MIN

Access the video, the agenda and related reports for this meeting by visiting the City's website at <http://www.sanjoseca.gov/clerk/agenda.asp> or <http://www.sanjoseca.gov/clerk/MeetingArchive.asp>. For information on any ordinance that is not hyperlinked to this document, please contact the Office of the City Clerk at (408) 535-1266.

## APPENDIX A

### 9.2 Adoption of FY 2008-2009 Operating Budget, FY 2008-2009 Capital Budget, FY 2009-2013 Capital Improvement Program, FY 2008-2009 Fees and Charges; and the Redevelopment Agency FY 2008-2009 Operating Budget and FY 2008-2009 Capital Budget.

Documents Filed: (1) Proposed Operating Budget Binder for Fiscal Year 2008-2009. (2) Proposed Fiscal Year 2008-2009 Capital Budget and 2009-2013 Capital Improvement Program Binder. (3) Proposed 2008-2009 Fees and Charges Report. (4) Memorandum from Redevelopment Agency Executive Director Harry S. Mavrogenes, dated May 23, 2008, recommending adoption of resolutions.

**[A] FISCAL YEAR 2008-2009 BUDGET DOCUMENTS (BD) AND DOCUMENT LOG:** [1] Memorandum from Mayor's Policy Office Director Armando Gomez, dated April 28, 2008, providing information for the Budget Process for FY 2008-2009 and the Budget Document Template. [2] Memorandum from Council Member Williams, dated May 16, 2008, recommending District 2 Office Rebudget. [3] Memorandum from Council Member Pyle, dated May 19, 2008, recommending funding for the Office of Economic Development staffing needs. [4] Memorandum from Council Member Pyle, dated May 19, 2008, recommending District 10 Office carryover. [5] Memorandum from Council Member Pyle, dated May 19, 2008, recommending funding of unstaffed crossing guard services and crime prevention. [6] Memorandum from Council Member Pyle, dated May 19, 2008, recommending funding changes for Global Fluency. [7] Memorandum from Council Member Pyle, dated May 19, 2008, recommending funding for a temporary Planner I/II position. [8] Memorandum from Council Member Williams, dated May 19, 2008, recommending funding for the Coyote Los Alamitos Trail Improvement. [9] Memorandum from Council Member Chirco, dated May 13, 2008, recommending District 9 Office Rebudget. [10] Memorandum from Council Member Chirco, dated May 19, 2008, recommending supplemental funding for the Kirk Community Center Minor Improvement Project. [11] Memorandum from Council Member Oliverio, dated May 19, 2008, recommending permanent radar signs. [12] Memorandum from Council Member Oliverio, dated May 19, 2008, recommending funding for the Hose Wagon & Staffing at Fire Station 6. [13] Memorandum from Council Member Oliverio, dated May 19, 2008, recommending funding for the proposed Fire Station 37. [14] Memorandum from Council Member Constant, dated May 19, 2008, recommending District 1 Office Rebudget. [15] Memorandum from Council Member Constant, dated May 19, 2008, recommending funding for Council Office expenditure openness. [16] Memorandum from Council Member Nguyen, dated May 19, 2008, recommending funding for the Tully Branch Library Sunday hours. [17] Memorandum from Council Member Nguyen, dated May 19, 2008, recommending District 7 Office Budget carryover. [18] Memorandum from Council Members Nguyen and Liccardo, dated May 19, 2008, recommending funding for an IPA Police Data Analyst-Education and Outreach Specialist. [19] Memorandum from Council Members Campos, Constant and Nguyen, dated May 19, 2008, recommending remaining the 4 FTEs in the Crime Prevention and Community Education non-sworn staff in the San José Police Department. [20] Memorandum from Council Member Campos, dated May 19, 2008,

9.2 (Cont'd.)

recommending hiring of additional sworn Police Department staff to assist with gang intervention and prevention efforts, investigative work needed to institute gang injunctions and investigations of violent and nonviolent gang related incidents and homicides. [21] Memorandum from Council Member Campos, dated May 19, 2008, recommending providing additional funding to the community based organizations to pay specifically for 15 additional full time employees who specialize in gang intervention activities. [22] Memorandum from Council Member Campos, dated May 19, 2008, recommending District 5 Office carryover. [23] Memorandum from Council Members Campos and Chirco, dated May 19, 2008, recommending funding the South Bay Children's Medical Center in order to continue operating its clinics in underserved communities at current levels. [24] Memorandum from Council Members Campos and Liccardo, dated May 19, 2008, recommending extending operating hours at one Youth Center/Community Center site per Council District from 6:00 p.m. to midnight on Friday and Saturday nights. [25] Memorandum from Council Member Chu, dated May 19, 2008, recommending funding the Middle School crossing guard services. [26] Memorandum from Council Member Chu, dated May 19, 2008, recommending funding crime prevention staffing. [27] Memorandum from Council Member Chu, dated May 19, 2008, recommending funding the United Service Organization request to fund Airport Center Furnishings. [28] Memorandum from Council Member Chu, dated May 19, 2008, recommending funding District 4 Office Rebudget. [29] Memorandum from Council Members Liccardo, Williams, Nguyen and Chu, dated May 19, 2008, recommending funding of expansion of the City's encampment cleanup efforts along the City's watersheds by four per year. [30] Memorandum from Council Members Liccardo, Nguyen, Campos and Chu, dated May 19, 2008, recommending reserving \$100,000 for Mayor/Council Offices to use towards contracting translation and interpretation services. [31] Memorandum from Council Members Liccardo, Pyle and Chu, dated May 19, 2008, recommending distributing \$55,000 to Neighborhood Development Corporation to manage the allocation of waivers for neighborhood events at City parks and facilities. [32] Memorandum from Council Members Liccardo, Pyle, Oliverio and Williams, dated May 19, 2008, recommending funding for the completion of 40 data collection and studies for priority traffic calming requests identified by a Council District office within the 2008-2009 Fiscal Year. [33] Memorandum from Council Members Liccardo, Pyle, Oliverio and Williams, dated May 19, 2008, recommending the one time purchase of ten radar speed display trailers and subsequent deployment in San José's neighborhoods. [34] Memorandum from Council Members Liccardo, Williams and Nguyen, dated May 19, 2008, recommending providing funding from Council General to develop, modify and train staff to implement the Customer Relations Module currently used by the City's Call Center as well as the Marketing Nodule for the business needs of Council/Mayor Offices for managing constituent needs and concerns. [35] Memorandum from Council Member Liccardo, dated May 16, 2008, recommending funding the carryover of District 3 Office Funds. [36] Memorandum from Vice Mayor Cortese, dated May 19, 2008, recommending funding the cross guard services, Police and Fire Departments. [37] Memorandum from Vice Mayor Cortese, dated May 19, 2008, recommending adoption of an ordinance granting up to 40 hours of absence from work for employees who wish to

## 9.2 (Cont'd.)

be organ donors or other life saving medical procedures. [38] Memorandum from Vice Mayor Cortese, dated May 19, 2008, recommending carryover of District 8 Office Funds. [39] Memorandum from Vice Mayor Cortese, dated May 19, 2008, recommending reaffirming Mayor/Council support for the Downtown East Valley planned extension of light rail to Eastridge Mall. [40] Memorandum from Vice Mayor Cortese, dated May 19, 2008, recommending funding of an additional Code Enforcement Inspector in Weed and Seed area. [41] Memorandum from Council Member Oliverio, dated May 19, 2008, recommending funding of Neighborhood of Distinction Concept. [42] Memorandum from Council Member Oliverio, dated May 19, 2008, recommending hiring 11 civilian officer and 7 sworn police officers. [43] Memorandum from Vice Mayor Cortese, dated May 19, 2008, recommending ensuring transfers to General Fund from Municipal Water System are not in excess of Proposition 218 Limits. [44] Memorandum from Vice Mayor Cortese, dated May 19, 2008, recommending reinstatement that funding of the rate stabilization reserve to the Municipal Water Service is annual and not one time. [45] Memorandum from Council Member Constant, dated May 19, 2008, recommending additional Police Department staffing.

**[B] FISCAL YEAR 2008-2009 MANAGER'S BUDGET ADDENDA (MBA) AND DOCUMENT LOG:** [1] Memorandum from Acting Budget Director Jennifer Maguire, dated May 2, 2008, transmitting detailed agenda for the 2008-2009 Budget Study Sessions. [2] Memorandum from Deputy City Manager Ed Shikada, dated May 6, 2008, recommending approval of the HP Pavilion Capital Repairs and Replacement Budget. [3] Memorandum from Acting Budget Director Jennifer Maguire, dated May 8, 2008, transmitting replacement pages to correct errors in the 2008-2009 Proposed Operating Budget, 2008-2009 Proposed Capital Budget and 2009-2013 Proposed Capital Improvement Program and 2008-2009 Proposed Fees and Charges Report documents. [4] Memorandum from City Manager Debra Figone, dated May 9, 2008, recommending three year structural budget deficit elimination plan, top priorities strategies. [5] Memorandum from City Manager Debra Figone, dated May 13, 2008, transmitting the Planning Commission recommendations on the Proposed 2009-2013 Capital Improvement Program. [6] Memorandum from Acting Budget Director Jennifer Maguire, dated May 15, 2008, regarding the General Fund Deficit – Breakdown of 2008-2009 Budget Solutions. [7] Memorandum from Director of General Services Peter Jensen, Director of Parks, Recreation and Neighborhood Services Albert Balagso and Acting Budget Director Jennifer Maguire, dated May 16, 2008, providing the rationale for the proposed increase for the adoption fees for senior dogs and cats and information on the adoption rate of those animals. [8] Memorandum from City Attorney Richard Doyle, dated May 20, 2008, recommending approval of the City Attorney's Office 2008-2009 Budget Reduction Plan as outlined in his memorandum. [9] Memorandum from Director of Environmental Services John Stufflebean, dated May 20, 2008, recommending acceptance of the cost study confirming that transfers from the Consolidated Water System to the General Fund have been consistent with requirements contained in the San José Municipal Code. [10] Memorandum from City Attorney Richard Doyle, dated May 22, 2008, recommending acceptance of his memorandum concerning the San José

## 9.2 (Cont'd.)

Municipal Code fund level requirements for the Municipal Water System Rate Stabilization and Capital Rehabilitation Reserve Funds. [11] Memorandum from Director of Parks, Recreation and Neighborhood Services Albert Balagso, dated May 20, 2008, regarding confirmation that the revenues from the Shell Gas Station at the City owned property on the corner of King and Story Roads are used for improvements at Emma Prusch Park. [12] Memorandum from Director of Aviation William Sherry, dated May 20, 2008, regarding additional information related to the economic impact generated by the operation of the Airport. [13] Memorandum from Chief Development Officer Paul Krutko, dated May 21, 2008, transmitting a breakdown of the 47,200 net job growth by major industry sector. [14] Memorandum from Chief Development Officer Paul Krutko, dated May 21, 2008, transmitting additional information for the consideration of potential retail expansion sites. [15] Memorandum from Director of Planning, Building and Code Enforcement Joseph Horwedel, dated May 23, 2008, transmitting information about Downtown Proactive Code Enforcement resources. [16] Memorandum from City Attorney Richard Doyle, dated May 23, 2008, transmitting information regarding Workers' Compensation Litigated Claims. [17] Memorandum from Director of Transportation James Helmer and Acting Budget Director Jennifer Maguire, dated May 21, 2008, amending the Proposed 2008-2009 Fees and Charges Report to add a Traffic Controller Fee of \$6,800 per controller. [18] Memorandum from Director of Parks, Recreation and Neighborhood Services Albert Balagso, dated May 22, 2008, providing an update on the status of the City's negotiations to restore the Juvenile Offender Program through the Mayor's Gang Prevention Task Force. [19] Memorandum from Director of Parks, Recreation and Neighborhood Services Albert Balagso, dated May 21, 2008, transmitting the 2008 Graffiti Survey Report. [20] Memorandum from Director of Parks, Recreation and Neighborhood Services Albert Balagso, dated May 22, 2008, transmitting information on the Anti-Litter Program. [21] Memorandum from Director of Parks, Recreation and Neighborhood Services Albert Balagso, dated May 22, 2008, transmitting information about self cleaning restrooms. [22] Memorandum from Director of Environmental Services John Stufflebean and Acting Budget Director Jennifer Maguire, dated May 23, 2008, eliminating the proposed landfill and all other non-recycled water fee from the 2008-2009 Proposed Operating Budget. [23] Memorandum from Director of Parks, Recreation and Neighborhood Services Albert Balagso, dated May 22, 2008, clarifying the Public Art budget in Council District 5. [24] Memorandum from Chief Development Officer Paul Krutko and Director of Environmental Services John Stufflebean, dated May 23, 2008, recommending acceptance for the work plan for Green Vision Implementation Budget for FY 2008-2009. [25] Memorandum from Police Chief Robert Davis and Acting Budget Director Jennifer Maguire, dated May 23, 2008, transmitting information about Police Civilians – Options pursued as alternatives to Police Officers. [26] Memorandum from Police Chief Robert Davis and Acting Budget Director Jennifer Maguire, dated May 23, 2008, transmitting additional information about the Public Safety Study Session follow up questions. [27] Memorandum from Police Chief Robert Davis and Acting Budget Director Jennifer Maguire, dated May 23, 2008, outlining the impact of the Police Staffing Plan, including increased General Plan

## 9.2 (Cont'd.)

shortfalls and an increase in the portion of the General Fund that the Police Department budget represents. [28] Memorandum from Police Chief Robert Davis, dated May 23, 2008, outlining the history and methodology behind the Community Policing Center Utilization Analysis. [29] Memorandum from Police Chief Robert Davis, dated May 23, 2008, providing information about the City's false alarm fines and preliminary analysis of current cost recovery levels. [30] Memorandum from Police Chief Robert Davis and Director of Parks, Recreation and Neighborhood Services Albert Balagso, dated May 23, 2008, transmitting a list of crime prevention programs administered by the Police Department and the Parks, Recreation and Neighborhood Services. [31] Memorandum from Police Chief Robert Davis and Acting Budget Director Jennifer Maguire, dated May 23, 2008, amending the fee ordinance and resolution to increase the Public Entertainment Business Permit. [32] Memorandum from Police Chief Robert Davis and Acting Budget Director Jennifer Maguire, dated May 23, 2008, recommending amendments to the 2008-2009 Proposed Fees and Charges Report. [33] Memorandum from Deputy City Manager Ed Shikada and Acting Budget Director Jennifer Maguire, dated May 22, 2008, recommending acceptance of the Staff recommendations to fund various unmet/deferred infrastructure and maintenance projects, adoption of amendments to the 2008-2009 Proposed Operating Budget in the General Fund. [34] Memorandum from Acting Budget Director Jennifer Maguire, dated May 27, 2008, recommending amendments to the 2008-2009 Proposed General Fund budget. [35] Memorandum from City Attorney Richard Doyle, dated May 27, 2008, recommending approval of the City Attorney's Office Budget Reduction Plan. [36] Memorandum from Deputy City Manager Norberto Duenas, dated May 28, 2008, providing updates on the Community Action and Pride Grant Program. [37] Memorandum from Chief Development Officer Paul Krutko, dated May 28, 2008, recommending the approval of modification to the budget proposal and transferring the loan servicing function of the Revolving Loan Fund to the City's Housing Department and direct Staff to explore option for contracting with an organization specializing in micro and small business lending during the upcoming year. [38] Memorandum from Fire Chief Darryl Von Raesfeld, dated May 28, 2008, providing information about Fire Station 6 Land sale and Fire Station 37/6 Operations. [39] Memorandum from Director of Environmental Services John Stufflebean, dated May 27, 2008, transmitting additional information about the cost and revenue allocations of the Integrated Billing System and customer service operations. [40] Memorandum from Acting Budget Director Jennifer Maguire, dated May 30, 2008, transmitting historical information on Police Department Budget as a percentage of General Fund Budget. [42] (a) Memorandum from Acting Budget Director Jennifer Maguire, dated June 4, 2008, recommending amendments to the 2008-2009 Proposed Operating and Capital Budgets. (b) Supplemental memorandum from Acting Budget Director Jennifer Maguire, dated June 16, 2008, transmitting corrections to the Manager's Addendum 41 and proposing an adjustment to the 2008-2009 Proposed Fees and Charges Report.

**[C] BUDGET CORRESPONDENCE FROM THE PUBLIC:** None.

**NOTICE OF CITY ENGINEER'S PENDING DECISION ON FINAL MAPS**

In accordance with Sec. 19.16.140d of the San José Municipal Code, this is notice of the City Engineer's pending decision on the following Final Maps:

<u>Tract</u>	<u>Location</u>	<u>Council District</u>	<u>Developer</u>	<u>Lots/Units</u>	<u>Type</u>	<u>Proposed Decision</u>
9935	East side of DeAnza Blvd, 350 feet North of Sharon Drive	1	Yu Sheng Kao, David Perng, Marvin Liu	5 Lots / 4 Units	SFA, SFD	Approve

In accordance with Sec. 19.16.140d of the San José 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>
10003	NW/C of Hwy. 237 and Gold Street. I, LLC	4	Legacy III SJ America Center	2 Lots / 6 Lots	Mixed Use

**NOTICE OF CONTRACTS EXECUTED BY COUNCIL APPOINTEES**

In accordance with Municipal Code Section 4.04.080, titled "Quarterly Reports", the following is submitted as a report on contracts executed by Council Appointees or designee during the second quarter of Fiscal Year 2007-2008 (January 1, 2008 – March 31, 2008). The list includes contracts or amendments to contracts for services with a value greater than \$100,000 and up to \$250,000 and contracts or amendments to contracts for equipment, supplies, and material with a value greater than \$100,000 and up to \$1 million. Contract amounts are rounded to the nearest dollar. No Council action is being requested with respect to this report.

City Attorney's Contract Activity

The City Attorney's Office has no contract activity to report.

City Auditor's Contract Activity

The City Auditor's Office has no contract activity to report.

City Clerk's Contract Activity

The City Clerk's Office has no contract activity to report.

NOTICE OF CONTRACTS EXECUTED BY COUNCIL APPOINTEES (CONT'D.)

City Manager's (or designee) Contract Activity

<u>Contractor</u>	<u>Description of Contract</u>	<u>Amount</u>
Dance Force	Classes/camps in basic dance, movement, cheerleading, and fitness skills designed for beginner and intermediate levels for residents as offered by the Parks, Recreation, and Neighborhood Services Department.	\$180,000
Fairbanks, Maslin, Maulin & Associates Inc. (FMMA)	Budget Prioritization survey for the City of San José for the City Manager's Office. Second Amendment to the contract to increase contract amount by \$52,500 and modify scope of services and schedule of performance.	\$177,500
ISG Global	Documentation of business processes and implementation of Computerized Maintenance Management System for the Department of Aviation.	\$158,010
James Carter dba Camp Carter International	Classes for sports/fitness, aerobic kickboxing, karate, computer skills, keyboarding, photography, dance, mathematics, language and music classes for residents as offered by the Parks, Recreation, and Neighborhood Services Department.	\$180,000
Mad Doug, Inc. dba Mad Science of the Bay Area Recreation USA	Science camps and classes for children ages 3-12 years of age as offered by the Parks, Recreation, and Neighborhood Services Department.	\$150,000
	Classes for dance, theater, music, sports, language, manner, and financial skills for youth as offered by the Parks, Recreation, and Neighborhood Services Department.	\$180,000
Renee Ramsey dba My First Art Class	Art lessons for parents and their toddlers ranging in age from 10 months to 5 years as offered by the Parks, Recreation, and Neighborhood Services Department.	\$120,000
Sanli Pastore & Hill, Inc.	Appraisal services for the Public Works Department.	\$250,000
Volunteer Center of Silicon Valley	Development and delivery of a disaster sheltering plan and assistance with coordination of disaster preparedness and response efforts for the Office of Emergency Services.	\$192,000

Director of Finance Contract Activity – Services

<u>Contractor</u>	<u>Description of Contract</u>	<u>Amount</u>
Bt Mancini Co., Inc.	Carpeting for Terminal C, Baggage Claim Area for the Aviation Department.	\$108,995
Cuevas Landscaping	Weed Abatement Services for the Department of Transportation.	\$452,000
First Alarm Security & Patrol	Private Security Services for the Aviation Department.	\$340,000

**NOTICE OF CONTRACTS EXECUTED BY COUNCIL APPOINTEES (CONT'D.)**

Director of Finance Contract Activity – Services (Cont'd.)

<u>Contractor</u>	<u>Description of Contract</u>	<u>Amount</u>
Fleet Bodyworks	Body and Paint Repairs for Vehicles for the General Services Department. First amendment of the contract to increase the contract amount by \$30,000.	\$128,000
Flora Terra Landscape Green Team Green Team	Landscape Management Services for Maintenance Districts 2 & 3 for the Department of Transportation. Refuse Collection for Airport Facilities. Refuse Collection for Park, Recreation, and Neighborhood Services Department Facilities.	\$370,000 \$170,000 \$246,000
Jack Doheny Rentals, Inc.	Rental of Large Sewer Cleaning Equipment for the Department of Transportation. First Amendment to increase contract amount by \$65,000.	\$215,000
Scheidt & Bachmann, Inc.	Maintenance and Repair of Parking Equipment for the Department of Transportation. First Amendment to the contract to increase the contract amount by \$50,360.	\$150,000
Sheldrake & Mumford	Resurfacing For Basketball and Tennis Courts for the Parks, Recreation, and Neighborhood Services Department.	\$230,000
Testamerica Laboratories, Inc.	Laboratory Services for the Environmental Services Department.	\$150,000

Director of Finance Contract Activity – Equipment, Materials, and Supplies

<u>Contractor</u>	<u>Description of Contract</u>	<u>Amount</u>
Azco	Traffic Signals and Lightpoles for the Department of Transportation. First Amendment to increase contract amount by \$55,000.	\$285,000
Cascade Pump Co.	High Volume Water and Refuse Pumps for the Environmental Services Department.	\$165,081
Hoblit Motors	Marked Police Patrol Vehicles.	\$329,226
Hollister Honda, Inc.	Police Motorcycles.	\$271,143
Lucid Star, Inc.	Chinese Language Books and Media. First Amendment to increase contract amount by \$20,000.	\$120,000
Maita Chevrolet, Geo & Gmac	Unmarked Police Vehicles.	\$199,819
Netxperts, Inc.	Network and Telecommunications Equipment for the Terminal Area Improvement Project for the Aviation Department.	\$250,000
Netxperts, Inc.	Network Equipment to replace existing legacy equipment for the Aviation Department.	\$434,844

**NOTICE OF CONTRACTS EXECUTED BY COUNCIL APPOINTEES (CONT'D.)**

Director of Finance Contract Activity – Equipment, Materials, and Supplies (Cont'd.)

<u>Contractor</u>	<u>Description of Contract</u>	<u>Amount</u>
Pac Machine Co.	4" Trailer Mounted Pump and Accessories for the Department of Transportation.	\$163,752
Playground Unlimited	Rubber Resilient Surfacing for Playgrounds for the Parks, Recreation, and Neighborhood Services Department.	\$216,000
Sig Sauer Corporation	Pistols for the Police Department.	\$168,203
Teck Cominco American, Inc.	1500 Tons Sulfur Dioxide for the Environmental Services Department.	\$220,000
Toyota Material Handling	39 Passenger Electric Vehicles for General Services.	\$666,072
Toyota Sunnyvale	Five Toyota Prius for General Services.	\$116,694

## JOINT COUNCIL/REDEVELOPMENT AGENCY ITEMS

The Joint Redevelopment Agency Board convened at 8:07 p.m. to consider Items 8.1 and 8.2 in a Joint Session.

- 8.1
- (a) **Adoption of a resolution by the Redevelopment Agency Board approving a Reimbursement Agreement with CTS Electronic Manufacturing Solutions, Inc., in an amount not to exceed \$500,000, to provide financial assistance for acquisition of capital equipment to be installed in its industrial and manufacturing headquarters facility in the Edenvale Redevelopment Project Area and making certain finding as required by Redevelopment Law.**
  - (b) **Adoption of a resolution by the Redevelopment Agency Board approving an adjustment to the FY 2007-08 Adopted Capital Budget, adding \$500,000 to the Edenvale Emerging Technology Fund project line in the Edenvale Redevelopment Project Area, and amend the FY 2007-2008 Agency appropriations resolution.**
  - (c) **Adoption of a resolution by the City Council directing the City Manager to pursue Employment Training Panel Funds, in an amount up to \$100,000, to support the workforce development efforts of CTS Electronic Manufacturing Solutions.**

**CEQA: Exempt, File No. SP08-022. [EDENVALE]**

Documents Filed: Memorandum from Redevelopment Agency Executive Director Harry S. Mavrogenes, dated June 17, 2008, recommending adoption of resolutions.

Action: Upon motion by Council Member Oliverio, seconded by Council Member Williams and carried unanimously, Redevelopment Agency Resolution Nos. 5835 and 5836 and Resolution No. 74457, entitled: "A Resolution of the Council of the City of San José Directing the City Manager to Pursue Employment Training Panel Funds, in an Amount up to \$100,000, to Support the Workforce Development Efforts of CTS Electronic Manufacturing Solutions, Inc.," were adopted. (11-0.)

- 8.2
- (a) **Adoption of a resolution by the Agency Board approving the award of a construction contract to Joseph J Albanese, the lowest responsive bidder, in the amount of \$431,000, and authorizing a 15% construction contingency in the amount of \$65,000, for a total construction budget not to exceed \$496,000 for construction of the Fountain Alley Pedestrian Walk; and,**
  - (b) **Adoption of a resolution by the Agency Board approving a proposed adjustment to the Agency's FY 2007-2008 Adopted Capital Budget, shifting \$390,000 from Capital Reserves and amending the FY 2007-2008 Agency appropriations resolution.**
  - (c) **Adoption of a resolution by the City Council making certain determinations required by Redevelopment Law, Health and Safety Code Section 33445, for Agency funding of the Fountain Alley Pedestrian Walk Project.**

**CEQA: Resolution No. 72767 Final EIR entitled, "San Jose Downtown Strategy 2000," and Resolution No. 71039.1 Final EIR entitled, "Mixed-Use Project and Century Center Plan Amendment," File No. PP08-091. [MERGED]**

**8.2 (Cont'd.)**

Documents Filed: Memorandum from Redevelopment Agency Executive Director Harry S. Mavrogenes, dated June 6, 2008, recommending adoption of resolutions.

Action: Upon motion by Council Member Liccardo, seconded by Council Member Constant and carried unanimously, Redevelopment Agency Resolution Nos. 5837 and 5838 and Resolution No. 74458, entitled: "A Resolution of the Council of the City of San José Making Certain Determinations Required by Redevelopment Law, Health and Safety Code Section 33445, for Agency Funding of Public Improvements of the Fountain Alley Pedestrian Walk Project", were adopted. (11-0.)

The Council of the City of San José and Redevelopment Agency Board was adjourned at 8:11 p.m.