

CITY COUNCIL AGENDA

JUNE 22, 2004

SYNOPSIS

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

DISTRICT 1
DISTRICT 2
DISTRICT 3
DISTRICT 4
DISTRICT 5

RON GONZALES MAYOR

KEN YEAGER
TERRY O. GREGORY
DAVID D. CORTESE
JUDY CHIRCO
PAT DANDO, VICE MAYOR

DISTRICT 6
DISTRICT 7
DISTRICT 8
DISTRICT 9
DISTRICT 10

Welcome to the San José City Council meeting!

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

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

Items listed in Section 10 require approval of both the City Council and the San José Redevelopment Agency Board.

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

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

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

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

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

To arrange an accommodation under the Americans with Disabilities Act to participate in this public meeting, please call 1 (408) 277-4424 or 1 (408) 998-5299 (TTY) at least two business days before the meeting.

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

- **Call to Order and Roll Call**
9:32 a.m. - Closed Session, Room 600, City Hall
Absent Council Members: None.

1:33 p.m. - Regular Session, Council Chambers, City Hall
Absent Council Members: None.

- **Invocation (District 6)**
Julie Scott, President of the Rosicrucian Order, AMORC presented ideals of peace and tolerance.

- **Pledge of Allegiance**
Mayor Gonzales led the Pledge of Allegiance.

- **Orders of the Day**
The Orders of the Day and the Amended Agenda were approved, and Item 10.1(c) was dropped.

1 CEREMONIAL ITEMS

- 1.1** Presentation of a commendation to the Rosicrucian Order, AMORC on the occasion of the 2004 AMORC World Peace Conference to be held in San José from June 29 through July 4, 2004. (Yeager)
Mayor Gonzales and Council Member Yeager recognized the Rosicrucian Order on the special occasion of the 2004 AMORC World Peace Conference and the dedication of the new Rose Garden Peace Garden. Mayor Gonzales presented the commendation to Julie Scott, President of the Rosicrucian Order.

1 CEREMONIAL ITEMS

- 1.2 Presentation of a commendation to Captain Mike Kahn, San José Fire Department, for helping his neighbors escape their burning house while off-duty. (Mayor)
(Rules Committee referral 6/16/04)
Mayor Gonzales recognized Captain Mike Kahn for going beyond the call of duty in assisting his neighbors to escape their burning home on June 5, 2004.
- 1.3 Presentation of a commendation to Hitachi Global Storage Technologies, Inc., for its contributions to the City of San José as a model corporate citizen, supporting our community's youth, education, and environmental protection. (Williams)
(Rules Committee referral 6/16/04)
Mayor Gonzales and Council Member Williams recognized Hitachi Global Storage Technologies, Inc. for its generous grant and contributions to the success of the "Water Wizard Festival" at the Guadalupe River Park and Garden on May 28, 2004.

2 CONSENT CALENDAR

2.1 Approval of Minutes.

Recommendation: Approval of City Council Minutes for:

- (a) Regular meeting of May 4, 2004
- (b) Joint Redevelopment Agency Board meeting of May 4, 2004
- (c) Regular meeting of May 11, 2004

Approved.

2.2 Final adoption of ordinances.

There were none.

2.3 Approval of an amendment to extend the term of a hangar space lease agreement at the Airport.

Recommendation: Approval of an amendment to extend the term of the lease agreement for hangar space with A. P. Enterprises, a Division of ADSD, Inc., on a month-to-month basis from May 31, 2004 through May 31, 2009, with annual revenue to the City of \$2,682.36. CEQA: Resolution No. 67380, PP-04-04-106. (Airport)

Approved.

2 CONSENT CALENDAR

2.4 Approval of fiscal actions for Redevelopment Agency Capital Project and approval to award a contract for street improvements.

Recommendation:

- (a) (1) Adoption of appropriation ordinance and funding sources resolution amendments in the Services for Redevelopment Capital Projects Fund (City-side Redevelopment Fund) and the General Fund for the 6th and Reed Improvements (PSM 367) Project, with a net impact to the fund of \$387,000.

Ordinance No. 27194 adopted.

Resolution No. 72174 adopted.

- (2) Adoption of a resolution making certain determinations regarding the related expenditures of Redevelopment Agency funds on certain public improvements in connection with the 6th and Reed Improvements (PSM 367) Project, as more specifically described in the memorandum from the Redevelopment Agency, Dated May 11, 2004.

CEQA: Exempt, PP04-04-126. Council District 3. SNI: University. (City Manager's Office)

Resolution No. 72175 adopted.

- (b) Report on bids and award of contract for the East Reed Street from South Sixth Street to South Seventh Street Project involving street improvements to the low bidder, Joseph J. Albanese, Inc., in the amount of \$457,849.10, and approval of a contingency in the amount of \$46,000. CEQA: Exempt, PP04-04-126. Council District 3. SNI: University. (Public Works)

Approved.

2.5 Approval of actions certifying the City's Revolving Loan Fund.

Recommendation: Adoption of a resolution certifying that:

- (a) The City of San Jose's Revolving Loan Fund (RLF) Plan is consistent with and supportive of the area's current economic adjustment strategy, and
- (b) The RLF is being operated in accordance with the policies and procedures contained in the RLF plan, and the loan portfolio meets the standards contained therein.

CEQA: Not a Project. NEPA: Categorically Excluded. (Economic Development)

Resolution No. 72176 adopted.

2 CONSENT CALENDAR

2.6 Approval to award a contract for Edenvale Well #4.

Recommendation: Report on bids and approval of award of contract to the low bidder, Zim Industries, Inc., in the amount not to exceed \$229,410 for Edenvale Well #4 and approval of a budget contingency in the amount of \$23,000. CEQA: Exempt, PP03-07-239. Council District 2. (Environmental Services)

Approved.

2.7 Approval to amend an agreement for the South Bay Water Recycling Program.

Recommendation: Approval of the eighth amendment to the agreement with the City of Milpitas for Implementation of Portions of the South Bay Water Recycling (SBWR) Program to extend the term of the original agreement by two years, from June 30, 2004 to June 30, 2006, at no additional cost to the City. CEQA: Resolution No. 64667. (Environmental Services)

Approved.

2.8 Approval to amend an agreement related to environmental analyses of the South San Francisco Bay.

Recommendation: Approval of the second amendment to the agreement with Tetra Tech, Inc. for technical studies and analyses related to Total Maximum Daily Loads (TMDLs) for South San Francisco Bay, to extend the term of the agreement for 24 months, from June 30, 2004 to June 30, 2006, at no additional cost to the City. CEQA: Not a Project. (Environmental Services)

Approved.

2.9 Approval to amend an agreement for the Agriculture in Partnership Program.

Recommendation: Approval of a fourth amendment to the consultant agreement with Karin Grobe for technical assistance services for the Agriculture in Partnership Program, extending the term by two years, from August 1, 2004 to August 1, 2006, and increasing compensation by \$30,000, for a total agreement amount not to exceed \$121,448. CEQA: Not a Project. (Environmental Services)

Deferred to 6/29/04.

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

Recommendation: Approval of award of open purchase orders for supplies, materials, equipment, and services for FY 2003-2004 #24, and authorization for the Director of General Services to execute the purchase orders. CEQA: See memo for CEQA designation(s). (General Services)

Approved.

2 CONSENT CALENDAR

2.11 Approval of actions for the implementation of an integrated Laboratory Information Management System.

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

- (a) Negotiate and execute an agreement with PerkinElmer LAS, Inc., for the purchase and implementation of an integrated Laboratory Information Management System (LIMS) in an amount not to exceed \$397,223, including sales tax, system delivery, installation, staff training, and a 3-year maintenance plan.
- (b) Execute change orders to the agreement in an amount not to exceed \$38,600 for any additional unanticipated requirements encountered during the implementation process for this project.

CEQA: Not a Project. (General Services)

Resolution No. 72177 adopted.

2.12 Approval of various lease agreements for Environmental Services, Police, and Parks, Recreation and Neighborhood Services.

Recommendation:

- (a) Adoption of a resolution authorizing the City Manager to negotiate and execute an 18-month lease agreement with Realtec Properties I, for 20,710 square feet of fully improved and fitted out office space on the second floor of the building located at 3099 N. First Street, for the Department of Environmental Services requiring the City to pay rent of \$23,816.50 per month plus prorated utilities and janitorial costs. CEQA: Not a Project. (General Services)

Resolution No. 72178 adopted.

- (b) Approval of a five-year lease agreement with James V. Simoni for the use of 8,500 square feet of space located at 2172 Forest Avenue, also known as 498 O'Conner Drive, for the Police Department's NCI Unit at an initial monthly rent of \$12,750.00 per month for the first year of the lease, the monthly rent increases by \$250 annually to a high of \$13,750 per month during the final year of the lease. CEQA: Not a Project. (General Services)
- (c) Approval of a five-year lease agreement, with a 90 day termination clause with Smith Family Trust for the use of 20,480 square feet of space located at 1302 N. Fourth Street for the Police Department's Training Unit at an initial monthly rent of \$32,768 per month for the first year of the lease, increasing annually to a high of \$42,598.40 per month during the final year of the lease. CEQA: Exempt, PP04-05-167. (General Services)
- (d) Approval of a continuation agreement with Watchguard Technologies, Inc. extending the existing sublease of 6,500 square feet of space located at 1821 Zanker Road for the Department of Parks, Recreation and Neighborhood Services on a month to month basis for a rental rate of \$6,000 per month plus prorated utilities. CEQA: Not a Project. (General Services)

Approved.

2 CONSENT CALENDAR

2.13 Approval of the sale of City-owned properties.

Recommendation: Adoption of a resolution:

- (a) Declaring said 3,000 square foot portion of City-owned land, located on the southwesterly corner of State Street and Essex Street (APN 015-12-032), surplus to the needs of the City; and
- (b) Declaring said 2,953 square foot portion of City-owned land, located on the southeasterly corner of State Street and Essex Street (APN 015-11-006), surplus to the needs of the City; and
- (c) Delegating authority to the Director of the Department of General Services to execute all documents necessary to complete the transfer of each property; and
- (d) Authorizing the sale of each property to Victor J. Martina (the adjoining property owner) for \$8,500 and \$7,800 respectively.

CEQA: Exempt, PP 99-6-117. (General Services)

Resolution No. 72179 adopted.

2.14 Approval to amend the Jeffrey Fontana Park Master Plan.

Recommendation: Approval of an amendment to the Jeffrey Fontana Park (formerly Golden Oak Park) Master Plan to include an off-leash dog area. CEQA: Exempt, PP04-03-088. Council District 10. (Parks, Recreation and Neighborhood Services)

Approved.

2.15 Approval of an agreement for enclosed space for electric carts at the San José Municipal Golf Course.

Recommendation: Approval of an agreement with Mike Rawitser Golf Shop to manage the design, bidding, and construction of a new enclosed space for electric carts at the existing maintenance facility at San José Municipal Golf Course, in an amount not to exceed \$400,000. Council District 4. (Parks, Recreation and Neighborhood Services)

Deferred to 6/29/04.

2.16 Approval to purchase a park trail easement of property on Bambi Lane.

Recommendation: Adoption of a resolution authorizing the City Manager to negotiate and execute an agreement with Pacific Gas and Electric Company for the purchase of a park trail easement over a portion of the property consisting of a lot on Bambi Lane located between the residential properties at 2499 Bambi and 2513 Bambi Lane in the amount of \$10, and authorization for the Director of Public Works to execute any additional documents necessary to complete the transaction. CEQA: Negative Declaration and addenda thereto, PP03-11-352. Council District 5. SNI: East Valley/680. (Public Works)

Resolution No. 72180 adopted.

2 CONSENT CALENDAR

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

Recommendation: Acceptance of the First Quarter 2004 San José Arena Authority Ticket Distribution Program Report. CEQA: Not a Project. (San José Arena Authority)

Report accepted.

2.18 Approval of amendment to agreement for Elections Commission evaluator services.

Recommendation: Adoption of a resolution authorizing the City Attorney to negotiate and execute a fifth amendment to the agreement with Hanson, Bridgett, Marcus, Vlahos, Rudy LLP, to increase the maximum amount of compensation to provide investigation services as the Evaluator to the San José Elections Commission by an additional \$60,000, to a total amount not to exceed \$200,000, and to extend the term of the agreement through June 30, 2005. (City Attorney's Office/City Clerk)

(Rules Committee referral 6/16/04)

Resolution No. 72181 adopted.

2.19 Approval of an appointment to the Downtown Parking Board.

Recommendation: Approval of an appointment to the Downtown Parking Board.

(Mayor)

(Rules Committee referral 6/16/04)

Approved.

3 STRATEGIC SUPPORT SERVICES

3.1 Report of the Study Session

Mayor Gonzales, Chair

No Report.

3.2 Report of the Rules Committee - Meeting of June 9, 2004

Vice Mayor Dando, Chair

(a) Redevelopment Agency items reported out at Redevelopment Agency meeting

(b) City Council

(1) Review June 22, 2004 Draft Agenda

The Committee recommended approval of the June 22, 2004 City Council agenda with two additions.

3 STRATEGIC SUPPORT SERVICES

3.2 Report of the Rules Committee - Meeting of June 9, 2004 (Cont'd.)

Vice Mayor Dando, Chair

(b) City Council (Cont'd.)

(2) Add New Items to June 15, 2004 Amended Agenda

- Mayor and Council Member Requests
- City Manager Requests
- City Attorney Requests
- City Clerk Requests

The Committee recommended two additions to the June 15, 2004 City Council Agenda.

(3) List of Reports Outstanding

The Committee noted and filed the City Manager's report stating there are eleven Staff reports outstanding for the June 15, 2004 Council agenda.

(c) Legislative Update

(1) State

(a) SB 849 (Torlakson) – Regarding the Metropolitan Transportation Commission and the Association of Bay Area Governments
Council action was taken on June 15, 2004.

(2) Federal

There was no report.

(d) Meeting Schedules

(1) Approve Council Meeting Schedule, August to December 2004

The Committee recommended approval of the City Council Meeting Schedule for the period August to December 2004, and approval of a General Plan Hearing on September 21, 2004.

(e) The Public Record

There was no Public Record filed.

(f) Appointment to Boards, Commissions and Committees

There were none.

(g) Rules Committee Reviews, Recommendations and Approvals

There were none.

(h) Oral communications

None were presented.

3 STRATEGIC SUPPORT SERVICES

3.2 Report of the Rules Committee - Meeting of June 9, 2004 (Cont'd.)

Vice Mayor Dando, Chair

(i) Adjournment

The meeting was adjourned at 2:20 p.m.

Meeting of June 16, 2004

(c) Legislative Update

(1) State

(a) SB 744 (Dunn) regarding the State Department of Housing and Community Development Housing Accountability Committee

The Committee recommended an “oppose” position for SB 744 (Dunn) regarding the establishment of the State Department of Housing and Community Development Housing Accountability Committee.

The Rules Committee Reports and the Actions of June 9, and June 16, 2004, were accepted.

3.3 Report of the Making Government Work Better Committee - June 9, 2004

Council Member Campos, Chair

(a) Public Works Real Estate Audit

The Committee accepted the Staff report with direction to report back in one year with an in-depth analysis of the differences between the two agencies and to put it into the Work Plan.

(b) School Crossing Guards

The Committee accepted the Staff report with direction to revisit the issue on a five-year period basis.

(c) Transport Vehicles Audit

The Committee accepted the recommendations in the Staff report that are unrelated to the 9,000 mile a year issue, and to revisit those remaining issues in 60 days.

(d) Follow-up on Effectiveness of Current City and Redevelopment Agency Community Outreach

The Committee accepted the Staff report.

(e) Airport Concessions Contract Audit

The Committee accepted the Staff report.

3 STRATEGIC SUPPORT SERVICES

3.3 Report of the Making Government Work Better Committee-June 9, 2004 (Cont'd.) Council Member Campos, Chair (Cont'd.)

- (f) Traffic Calming Audit
- (g) The Youth Commission Audit
- (h) Public Art Project Allocation Project
- (i) San José Municipal Water System Audit
- (j) Los Lagos Golf Course Operations and Finances
- (k) Environmental Services Department Laboratory Audit

Items (f)-(k) deferred to the next Fiscal Year Work Plan.

- (l) Oral petitions
There were none.

- (m) Adjournment

Items (f) through (k) were deferred by the Committee.

The meeting was adjourned at 4:40 p.m.

The Making Government Work Better Committee Report and the Actions of June 9, 2004, were accepted.

3.4 Approval of budget clean-up actions for FY 2003-2004.

Recommendation: Adoption of amendments to the annual appropriation ordinance and funding sources resolution for various operating and capital funds to reflect estimated FY 2003-2004 revenue receipts, expenses, and encumbrances. CEQA: Not a Project. (City Manager's Office)

Ordinance No. 27195 adopted.

Resolution No. 72182 adopted.

3.5 Approval to increase the San José Municipal Water System potable water rates to cover increased wholesale water costs.

Recommendation: Adoption of a resolution to increase the San José Municipal Water System (SJMWS) potable water rates by \$0.08 per hundred cubic foot (HCF) or approximately 4% for Fiscal Year 2004-2005 to cover increased wholesale water costs. CEQA: Not a Project. Council Districts 2, 4, 7, and 8. (Environmental Services)

Resolution No. 72183 adopted.

Staff directed to:

- (1) Return during the Mid-Year Budget cycle with a report on actual wholesale and retail costs, and;
- (2) Base next year's cost formula on actual invoices paid.

3 STRATEGIC SUPPORT SERVICES

3.6 Approval of actions for the proposed Sewer Service and Use Charges and Storm Sewer Service Charges for FY 2004-05.

Recommendation:

- (a) Conduct Public Hearing on proposed FY 2004-05 Sewer Service and Use Charges and proposed maximums for rate increases in FY's 2005-06 and 2006-07; adopt a resolution setting the rates recommended by staff for FY 2004-05; and direct staff to return during the FY 2005-06 and 2006-07 budget cycles with recommendations for rate increases in FY 2005-06 and 2006-07, consistent with the staff recommended maximum rate increases for those years; and

The Public Hearing was held.

Approved. Noes: Reed.

- (b) Approval of the staff proposed 4.5% rate increase for FY 2004-2005 in Storm Sewer Service Charges and adoption of a resolution setting the rates recommended by staff for FY 2004-2005.

CEQA: Not a Project. (Environmental Services)

Resolution No. 72184 adopted. Noes: Reed.

The Director of Environmental Services was directed to follow-up with Ms. Anne Starr regarding specific questions relating to sewer service and use charges.

3.7 Approval of actions related to the FY 2004-05 Annual Sanitary Sewer Service and Use and Storm Sewer Service Charge Reports.

Recommendation: Adoption of a resolution setting a public hearing on Tuesday, August 3, 2004, at 1:30 p.m. for the Fiscal Year 2004-2005 Annual Sanitary Sewer Service and Use and Storm Sewer Service Charge Reports of the Director of Finance and direct the City Clerk to publish notice of the time and place of the hearing. CEQA: Not a Project. (Finance)

Resolution No. 72185 adopted.

3 STRATEGIC SUPPORT SERVICES

3.8 Approval of various actions related to Fiscal Year 2004-2005 Operating and Capital Budgets.

Recommendation:

- (a) Adoption of resolutions approving and adopting the Operating Budget for Fiscal Year 2004-2005 for the City of San José, the Capital Budget for Fiscal Year 2004-2005 for the City of San José, and the Five Year Capital Improvement Program for Fiscal Year 2005-2009 for the City of San José.
Resolution No. 72186 adopted.
Resolution No. 72187 adopted.
Resolution No. 72188 adopted.
- (b) Adoption of the Annual Appropriation Ordinance, including transfers and loans for Fiscal Year 2004-2005 and the Manager's Final Budget Addendum No. 55.
Ordinance No. 27196 adopted.
- (c) Adoption of the Annual Funding Sources Resolution for Fiscal Year 2004-2005 and the Manager's Final Budget Addendum No. 55.
Resolution No. 72189 adopted.
- (d) Adoption of a resolution in compliance with Article XIII B of the Constitution of the State of California and as modified by Proposition 111 and SB 88 electing the population and inflation factors and establishing the Fiscal Year 2004-2005 Appropriation Limit.

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

Resolution No. 72190 adopted.

Staff directed to:

- (1) **Perform outreach with the neighborhoods for transition strategy in order to cover operation of all the community centers during the summer months.**
- (2) **Return in August 2004 with a plan enabling all the community centers to remain open at critical times.**
- (3) **Return with an information memorandum about inquiry by the public regarding the San José Family Camp.**

3 STRATEGIC SUPPORT SERVICES

3.9 Approval of various actions related to New City Hall technology.

Recommendation:

- (a) Report on bids and award of contract for the New City Hall Voice/Data Communications Systems Project to the lowest responsive bidder, IDEX Global Services, in the amount of \$2,990,871, and approval of a contingency in the amount of \$299,000. CEQA: Resolution No. 68905, PP98-03-072. SNI: University. (Public Works/Information Technology)
Approved. Noes: Gregory.
- (b) Adoption of a resolution authorizing the City Manager to execute an amendment to the agreement with The Application Group, LLC, Inc., for professional services, increasing maximum compensation from \$99,000 to \$199,000, and extending the term from September 1, 2004 to October 1, 2004. CEQA: Not a Project. (Information Technology)
Resolution No. 72191 adopted. Noes: Gregory.
- (c) Adoption of a resolution authorizing the City Manager to negotiate an agreement with Unisys (Blue Bell, PA), for the purchase of a Converged Data Network and Telephony System in an amount not to exceed \$8,030,127, including all hardware, software, and professional services required to implement the system. CEQA: Not a Project. (Information Technology/General Services)
Resolution No. 72192 adopted. Noes: Gregory.

Direction and comments to Staff:

- (1) Staff to send out a list of the directives/questions to Council to ensure the discussion has been captured correctly, and provide an information memorandum on the follow-up.**
- (2) Address the issue of how to keep the key consultants on the team throughout the project.**
- (3) Return with a costs benefit analysis to include: savings because of the City's investment, increased productivity of the City work force and how it will improve customer service, and be a cost benefit to the community of San José.**
- (4) After negotiations are completed, return with the intention of realizing cost savings through value engineering within a 30 day period.**
- (5) If negotiations are not completed within a 30 day period with the first bidder, Staff to negotiate with the second choice bidder.**
- (6) Ensure Staff works with the City Attorneys Office to be able to make a further assessment with respect to potential conflict of interest issues.**
- (7) As Staff moves forward with contract negotiations, protect the City's ability to maintain the equipment long-term.**
- (8) For future RFP's, under a general category, Staff requested to ask vendors to provide the cost analysis and breakdown as part of their proposal.**
- (9) Provide additional information including: a breakdown of the costs of the requisite hardware and software elements, impact of delays at this point on the project, and comparisons of other city government facilities.**

3 STRATEGIC SUPPORT SERVICES

3.10 Review of the CUSP Procurement Evaluation Process.

Recommendation: Review of the CUSP Procurement Evaluation Process. (City Auditor)
Deferred to 6/29/04.

4 ECONOMIC & NEIGHBORHOOD DEVELOPMENT

4.1 Report of the Building Strong Neighborhoods Committee Council Member Chavez, Chair No Report.

4.2 Report of the Driving a Strong Economy Committee Council Member Williams, Chair No Report.

4.3 Approval of an agreement for the GIS system.

Recommendation: Approval of an agreement with Intergraph Corporation for consultant services for the Data Modeling Enhancement, Data Conversion, Map Book Generation, and Web Plot Development Project in an amount not to exceed \$215,000, from the date of execution to December 30, 2005. CEQA: Not a Project. (Public Works)

Approved.

4.4 Public Hearings and approval of Business Improvement District's assessments for 2004-2005.

Recommendation:

- (a) PUBLIC HEARING and adoption of a resolution to:
- (1) Approve the Downtown Business Improvement District's budget report for 2004-2005, as filed or as modified by City Council
 - (2) Levy the increased Downtown Business Improvement District's annual assessments for 2004-2005.

CEQA: Exempt, PP 03-05-165. Council District 3. SNI: St. James Square; University; Josefa/Auzerais; Burbank/Del Monte. (Economic Development)

**The Public Hearing was held.
Resolution No. 72193 adopted.**

(Item continued on the next page)

4 ECONOMIC & NEIGHBORHOOD DEVELOPMENT

4.4 Public Hearings and approval of Business Improvement District's assessments for 2004-2005 (Cont'd.)

- (b) PUBLIC HEARING and adoption of a resolution to:
- (1) Approve the Willow Glen Business Improvement District's budget report for 2004-2005, as filed or as modified by City Council.
 - (2) Levy the Willow Glen Business Improvement District's annual assessments for 2004-2005.

CEQA: Exempt, PP 03-05-165. Council District 6. (Economic Development)

The Public Hearing was held.

Resolution No. 72194 adopted.

- (c) PUBLIC HEARING and adoption of a resolution to:
- (1) Approve the Japantown Business Improvement District's budget report for 2004-2005, as filed or as modified by City Council.
 - (2) Levy the Japantown Business Improvement District's annual assessments for 2004-2005.

CEQA: Exempt, PP 03-05-165. Council District 3. SNI: 13th Street. (Economic Development)

The Public Hearing was held.

Resolution No. 72195 adopted.

5 RECREATION & CULTURAL SERVICES

5.1 Report of the All Children Achieve Committee – June 10, 2004 Council Member Yeager, Chair

- (a) Youth Commission Strategy Workplan Update
The Committee accepted the Staff report.
- (b) Report on Blueprint for Bridging the Digital Divide for FY 2003-04 Action Plan
This item was deferred to the August 12, 2004 meeting.
- (c) San José BEST Cycle XIII Mid-Year Evaluation Report and BEST Cycle XIV Report
The Committee accepted the Staff report.
- (d) Oral petitions
There were none.
- (e) Adjournment
The meeting was adjourned at 2:53 p.m.

The All Children Achieve Committee Report and the Actions of June 10, 2004, were accepted.

5 RECREATION & CULTURAL SERVICES

5.2 Approval to rename the San José Repertory Theatre.

Recommendation: Adoption of a resolution to rename the City-owned facility, the San José Repertory Theatre, as the “Susan and Phil Hammer Theater Center.” CEQA: Not a Project. (Conventions, Arts and Entertainment)

Resolution No. 72196 adopted.

5.3 Approval of actions related to FY 2004-05 Transient Occupancy Tax and General Fund arts program allocations, grants, and agreements.

Recommendation: Approval of Arts Commission recommendation, subject to approval of the FY 2004-05 Operating Budget, to:

- (a) Allocate funds to the Office of Cultural Affairs for FY 2004-05 arts and cultural programs, projects, grants, and activities as detailed in Attachment A, in a total amount not to exceed \$2,913,023; and

Approved.

- (b) Adopt a resolution authorizing the City Manager to negotiate and execute FY 2004-05 grant agreements as follows:

- (1) Festival, Parade and Celebration Grant Agreements with 28 organizations for 39 events as detailed in Attachment B, in a total amount not to exceed \$320,591; and
- (2) Arts Grant Agreements with 56 organizations as detailed in Attachment C, in a total amount not to exceed \$1,811,168.

CEQA: Not a Project. (Conventions, Arts and Entertainment)

Resolution No. 72197 adopted.

5.4 Approval of the Fuller Avenue Park Master Plan.

Recommendation: Approval of the Fuller Avenue Park Master Plan. CEQA: Exempt, PP034-089. Council District 6. SNI: Greater Gardner. (Parks, Recreation and Neighborhood Services)

Approved.

5 RECREATION & CULTURAL SERVICES

5.5 Approval of actions related to the Team San José Management agreement for the Convention Center and Cultural Facilities.

Recommendation:

- (a) Approve a Management Agreement with Team San José, Inc., to operate the Convention Center and Cultural Facilities for five years, with one five-year option subject to Council appropriation.
- (b) Direct staff to return with appropriation ordinance and funding sources resolution amendments necessary to implement the above action.
- (c) Approve an Amended and Restated Agreement with the San José Convention and Visitors Bureau for promotion and sales services for the Convention Center and Cultural Facilities through June 30, 2005, with one five-year renewal option and approve a lease with the San José Convention and Visitors Bureau for use of office space at the Convention Center for the term of the Amended and Restatement Agreement at no cost.

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

(Rules Committee referral 6/16/04)

Approved. Appropriate budget action to return on June 29, 2004.

Staff directed to reroute information to Council regarding the Convention Arts and Entertainment Center's budget.

5 RECREATION & CULTURAL SERVICES

5.6 Approval of City Council changes to HNVF Advisory Committee's recommendations for use of FY 2004-2005 HNVF Funds.

Recommendation: Recommend the following changes to the HNVF Advisory Committee's recommendations for use of FY 2004-2005 HNVF Funds:

- (a) Reduce the allocation for the Youth Tobacco Education and Compliance Program by \$87,286, from \$141,977 to \$54,691;
- (b) Reduce the allocation for the Local Enforcement of Tobacco Control Regulations Project by \$13,339, from \$94,772 to \$81,433;
- (c) Increase the allocation to the Children's Health Initiative by \$300,000 in the HNVF Funds and \$100,000 in Calpine contribution, from \$1,700,000 to \$2,100,000;
- (d) Increase the allocation to the Alzheimer's Activity Center Project by \$6,675 from \$20,025 to \$26,700;
- (e) Increase the allocation for the Senior Safety Education Program project by \$19,357, from \$58,073 to \$77,430;
- (f) Increase the allocation for the Addressing the Gaps in Aging Services - Nutrition Program by \$155,900, from \$623,599 to \$779,499;
- (g) Increase the allocation to the Minority Senior Service Providers Consortium Wellness Project by \$46,725, from \$140,175 to \$186,900;
- (h) Allocate \$66,000 to the Seniors Living With Vision Loss Project; and
- (i) Use the following sources to help support the recommendations:
 - (1) \$182,232 in Carryover FY 2003-2004 Unrestricted Fund Balance;
 - (2) \$283,417 in Settlement Reserve; and
 - (3) \$28,383 in FY 2004-2005 Interest Earnings.

(Rules Committee referral 6/16/04)

Approved. Appropriate budget action to return on June 29, 2004.

6 TRANSPORTATION SERVICES

6.1 Report of the Building Better Transportation Committee – June 7, 2004 Council Member Cortese, Chair

- (a) Expansion and Improvement of Transit and Transportation Systems
There were no items.
- (b) Traffic Relief/Safe Streets
 - (1) Business district streetscape implementation and maintenance report, presentation and direction to move forward with next steps in the potential formation of a property business improvement district in the downtown core and neighborhood business districts. **Deferred from May 3, 2004. The Committee accepted the Staff report.**

6 TRANSPORTATION SERVICES

6.1 Report of the Building Better Transportation Committee – June 7, 2004 (Cont'd.) Council Member Cortese, Chair

- (c) Supporting Smart Growth
There were no items.
- (d) Regional Relationships/Funding/Policy
 - (1) Presentation and discussion of high-speed rail alignment & Caltrain electrification and regional prioritization
The Committee accepted the Staff report.
- (e) Oral petitions
There were none.
- (f) Adjournment
The meeting was adjourned at 2:43 p.m.

The Building Better Transportation Committee Report and the Actions of June 7, 2004, were accepted.

6.2 Approval to award a contract for the Old Oakland Road Median Island Improvements Project (Hedding Street to SR 101).

Recommendation: Report on bids and award of contract for the Old Oakland Road Median Island Improvements Project (Hedding Street to SR 101) to the low bidder, H.S.R., Inc., in the amount of \$512,300, and approval of a contingency in the amount of \$26,000. CEQA: Negative Declaration, PP04-03-098. Council District 3. SNI: Thirteenth Street. (Public Works)

Approved.

6.3 Approval to award a contract for the Monterey Road Median Island Landscape Improvement Project.

Recommendation: Report on bids and take appropriate action based on the evaluation of bids for the Monterey Road (State Route 82) Median Island Landscape Improvement Project-Keyes Street to Curtner Avenue. CEQA: Resolution No. 65657, PP01-07-135. Council Districts 3 and 7. SNI: Spartan/Keyes. (Public Works/Transportation/City Manager's Office)

Deferred to 6/29/04.

6 TRANSPORTATION SERVICES

6.4 Approval to award a contract for slurry seal.

Recommendation: Report on bids and award of contract for the Slurry Seal 2004 Project to the low bidder, Bond Blacktop, Inc. in the amount of \$1,147,231, and approval of a ten percent (10%) contingency amount of \$114,723. CEQA: Exempt, PP04-02-039.

(Transportation)

Approved.

6.5 Approval of City recommendation on proposed Berryessa BART station configuration.

Recommendation: Approval of the following as the City's recommendations to the Santa Clara Valley Transportation Authority (VTA) for design of the Berryessa BART station:

- (a) That the VTA provide environmental clearance for the entire station area footprint evaluated in the draft environmental document, including the "Southwest" and "Northeast" station parking structure options.
- (b) Direct City, VTA, and BART staff to continue to work with area property owners on preparing a land use and transportation plan for the Berryessa BART Station area, consistent with the VTA's "best practices" manual on Community Design and Transportation.

CEQA: Not a Project. The subject report provides City recommendations to the VTA to support their preparation of a CEQA review for the BART Project. Council District 4.

(Transportation/Planning, Building and Code Enforcement)

(Referred from 5/18/04 – Item 6.3 and deferred from 6/15/04 – Item 6.2)

Approved.

7 ENVIRONMENTAL & UTILITY SERVICES

7.1 Approval to award a contract for filter pumps for the Water Pollution Control Plant.

Recommendation: Report on bids and award of contract for the construction project entitled "San José/Santa Clara Water Pollution Control Plant, FY 2003/2004 Capital Improvement Program, Filter Influent Pumps 1-4 Controller Replacement Project," to the low bidder, Blocka Construction Incorporated, in the amount of \$838,900, and approval of a contingency in the amount of \$84,000, for a total not to exceed amount of \$922,900. CEQA: Exempt, PP04-03-079. (Environmental Services)

Approved.

7 ENVIRONMENTAL & UTILITY SERVICES

7.2 Approval of actions for the 60-inch Brick Interceptor Replacement Project (Phase IB).

Recommendation:

- (a) Approval of the Construction Impact Mitigation Plan (CIMP) for the 60-inch Brick Interceptor Replacement Phase IB Project.
- (b) Report on bids and award of contract for the 60-inch Brick Interceptor Replacement Phase IB Project to the low bidder, Ranger Pipelines, Inc., in the amount of \$16,573,661, and approval of contingency in the amount of \$2,400,000.

CEQA: Negative Declaration, PP03-12-374. Council District 4. (Public Works)
Approved.

8 AVIATION SERVICES

8.1 Council approval of the architectural concept developed for the Airport's North Concourse Project.

Recommendation: City Council approval of the architectural concept developed by staff in conjunction with feedback from Council and the community for the Airport's North Concourse Project. CEQA: Resolution Nos. 67380 and 71451, PP04-06-187. (Airport)
Approved.

8.2 Adoption of a resolution to establish rental fees at Norman Y. Mineta San José International Airport.

Recommendation: Adoption of a resolution amending Resolution No. 59988 to establish rental fees for use of unimproved land, use of paved land, passenger and air cargo aircraft parking on the ramp, and shared use passenger air carrier facilities at the Norman Y. Mineta San José International Airport. CEQA: Not a Project. (Airport)
Deferred to 6/29/04.

9 PUBLIC SAFETY SERVICES

9.1 Approval of an agreement for Fire and Emergency Response Services.

Recommendation: Adoption of a resolution authorizing the City Manager to negotiate and execute a new and updated fire protection agreement (commonly referred to as the "Zone 1 Agreement") with the Santa Clara County Central Fire Protection District (Central Fire), for a term beginning July 1, 2004 and ending June 30, 2009, with one-five year option, and providing for total estimated compensation to the City of \$4 million per year. CEQA: Not a Project. (Fire)

Resolution No. 72198 adopted.

10 JOINT COUNCIL/REDEVELOPMENT AGENCY

The Redevelopment Agency Board convened at 6:36 p.m. to consider Items 10.1, 10.2, and 10.3 in a Joint Session.

10.1 Adoption of resolutions pertaining to the FY 2004-2005 Agency Operating and Capital Budgets.

Recommendation: Adoption of resolutions by the City Council and Agency Board pertaining to the Agency's annual budgets and public improvements as follows:

- (a) Adoption by the Agency Board of the Fiscal Year 2004 - 2005 Revenue and Appropriation Resolutions for the Operating and Capital Budgets; and making certain determinations regarding the expenditure of Agency funds to eradicate graffiti; and,
Redevelopment Agency Board Nos. 5518, 5519, and 5520 adopted.
- (b) Adoption of a resolution by the Agency Board approving amendments to the FY 2003 - 04 Appropriations Resolution to reflect various rebudgets and additions to the FY 2003 - 04 Capital Budget.
Redevelopment Agency Board No. 5521 adopted.
- (c) Adoption of a resolution by the City Council making certain determinations regarding the expenditure of Agency funds on public improvements; and,
Item 10.1(c) was dropped per Orders of the Day.
- (d) Adoption of resolutions by the City Council and Agency Board authorizing the City Manager and Executive Director to negotiate and execute the FY 2004 - 2005 Cooperation Agreements between the City and the Agency for the Merged Area Redevelopment Project for Capital Improvements and the Agreement regarding Operating Expenses.
Item 10.1(d) was dropped, same as 10.2.
(Redevelopment Agency)

10.2 Approval of FY 2004-2005 Cooperation Agreements.

Recommendation: That the City Council and Agency Board adopt resolutions authorizing the City Manager and Interim Executive Director to negotiate and execute the Fiscal Year 2004-2005 Cooperation Agreements between the City and the Redevelopment Agency as follows:

- (a) Agreement regarding Merged Area Redevelopment Project for Capital Improvements; and
- (b) Agreement regarding operating expenses.
(City Manager's Office/Redevelopment Agency)
(Rules Committee referral 6/16/04)

Resolution No. 72199 adopted.

Redevelopment Agency Board No. 5522 adopted.

10 JOINT COUNCIL/REDEVELOPMENT AGENCY

10.3 Approval of the Downtown Design Review Process to Implement the Downtown Zoning Ordinance.

Recommendation: Adoption of resolutions by the City Council and Redevelopment Agency Board approving the Enhanced Downtown Design Review process to review certain Downtown projects, establish thresholds for projects requiring enhanced design approval, utilize Redevelopment Agency funded contractual architectural services to implement the review process, and report to the City Council following one year of implementation of the program. CEQA: Resolution No. 65459. Council District 3. (City Manager's Office/Redevelopment Agency)
(Council referral 3/16/04 – Item 10.1 and Deferred from 6/1/04 – Item 10.1 and 6/15/04 – Item 10.1)

Deferred to 6/29/04.

The Redevelopment Agency Board Portion of the Meeting was adjourned at 6:37 p.m.

- **Closed Session Report**
No Report.
- **Notice of City Engineer's Pending Decision on Final Maps**

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

<u>Tract</u>	<u>Location</u>	<u>Council District</u>	<u>Developer</u>	<u>Lots/Units</u>	<u>Type</u>	<u>Proposed Decision</u>
9549	Sw/c of Capitol Ave., Baton Rouge Drive	4	William Lyon Homes, Inc.	91 units/17 lots	SFA	Approval

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

<u>Tract</u>	<u>Location</u>	<u>Council District</u>	<u>Developer</u>	<u>Lots/Units</u>	<u>Type</u>
9529	North of Aborn Road, east of Mosher Drive	8	Pinn Brothers Construction, Inc.	29 lots/28 units	SFDR

- **Open Forum**
(1) William Garbett spoke of societal issues.

- **Adjournment**

The Council of the City of San José was adjourned in memory of Mr. Anthony Donald Saso, long time resident of San José who once delivered fuel and supplies to local farmers, was one of the original owners of the Gilroy Motor Co., a real estate agent, farmer, and owner of a small fruit and vegetable stand presently run by several members of the Saso family.

The Council of the City of San José was adjourned at 6:38 p.m.

7 JOINT REDEVELOPMENT AGENCY/COUNCIL

The Council of the City of San José convened at 6:39 p.m. to hear Items 7.1, and 7.2, in a Joint Session with the Redevelopment Agency.

- 7.1 Approval to reject all bids for the construction of a temporary expansion of the San Jose McEnery Convention Center, approval of a Temporary Convention Center Expansion Project budget line, and authorization for the Executive Director to negotiate and execute an agreement with an architectural firm for architectural services for an interim expansion.**

Recommendation:

- (a) Rejection of all bids for the San Jose McEnery Convention Center Temporary Expansion Project; and,
Approved.
- (b) Adoption of a resolution approving the addition of a Temporary Convention Center Expansion Project line to the Adopted FY 2003-2004 Capital Budget in the amount of \$500,000 in the Merged Redevelopment Area, and amending the FY 2003-2004 Agency appropriations resolution; and,
Redevelopment Agency Resolution No. 5516 adopted.
- (c) Adoption of a resolution authorizing the Interim Executive Director to select, negotiate and execute an agreement with an architectural firm for architectural services for an interim expansion of the San Jose McEnery Convention Center, in an amount not to exceed \$280,000.

CEQA: Mitigated Negative Declaration File Number CP04-028 [MONTEREY CORRIDOR] [Deferred 6/8/04, Item 7.1]

Redevelopment Agency Resolution No. 5517 adopted.

- 7.2 Approval of an agreement between the Redevelopment Agency, the City of San Jose, and the San Jose State University Foundation to provide funds for the Northern California Small Business Development Center.**

Recommendation: Approval by the City Council and Redevelopment Agency Board of an agreement between the City of San Jose, the Redevelopment Agency, and the San Jose State University Foundation, to provide funds in the amount of \$200,000 for the Northern California Small Business Development Center. [MERGED]

Approved.

ADJOURNMENT

The Council of the City of San José, and Redevelopment Agency Board adjourned at 6:40 p.m.