



CITY COUNCIL AGENDA

FEBRUARY 4, 2014

SYNOPSIS

PETE CONSTANT
ASH KALRA
SAM LICCARDO
KANSEN CHU
XAVIER E. CAMPOS

DISTRICT 1
DISTRICT 2
DISTRICT 3
DISTRICT 4
DISTRICT 5

CHUCK REED MAYOR

PIERLUIGI OLIVERIO
MADISON NGUYEN, VICE MAYOR
ROSE HERRERA
DONALD ROCHA
JOHNNY KHAMIS

DISTRICT 6
DISTRICT 7
DISTRICT 8
DISTRICT 9
DISTRICT 10

The City of San José is committed to open and honest government and strives to consistently meet the community's expectations by providing excellent service, in a positive and timely manner, and in the full view of the public.

Welcome to the San José City Council meeting!

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

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

You may speak to the City Council about any discussion item that is on the agenda, and you may also speak during Open Forum on items that are not on the agenda and are within the subject matter jurisdiction of the City Council or Successor Agency to the Redevelopment Agency. If you wish to speak to the City Council, please refer to the following guidelines:

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

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

The San José City Council meets every Tuesday at 1:30 p.m. and Tuesday at 7 p.m. as needed, 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, Staff Reports and some associated documents for City Council items may be viewed on the Internet at <http://www.sanjoseca.gov/index.aspx?NID=3549>. Council Meetings are televised live and rebroadcast on Channel 26.

All public records relating to an open session item on this agenda, which are not exempt from disclosure pursuant to the California Public Records Act, that are distributed to a majority of the legislative body will be available for public inspection at the Office of the City Clerk at San José City Hall, 200 E. Santa Clara Street, Council Wing, 2nd Floor, San José, CA 95113 at the same time that the public records are distributed or made available to the legislative body. Any draft contracts, ordinances and resolutions posted on the Internet site or distributed in advance of the Council meeting may not be the final documents approved by the City Council. Contact the Office of the City Clerk at (408) 535-1260 or CityClerk@sanjoseca.gov for the final document.

To request an accommodation or alternative format under the Americans with Disabilities Act for City-sponsored meetings, events or printed materials, please call (408) 535-1260 or (408) 294-9337 as soon as possible, but at least three business days before the meeting.

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

- **Call to Order and Roll Call**
9:04 a.m. - Closed Session, Call to Order in Council Chambers
Absent Council Members: All Present.

1:33 p.m. - Regular Session, Council Chambers, City Hall
Absent Council Members: All Present.
- **Invocation (District 2)**
Reverend Jethroe Moore, NAACP President offered a prayer for the Invocation.
- **Pledge of Allegiance**
Mayor Reed accompanied by third grade students of Country Lane Elementary School led the Pledge of Allegiance.
- **Orders of the Day**
The Orders of the Day and the Amended Agenda were approved, with Item 3.4 deferred to February 11, 2014.
- **Closed Session Report**
No Report.

1. CEREMONIAL ITEMS

- 1.1 Presentation of Commendation to Downtown Streets Team for their dedicated work in cleaning the streets of the Mayfair area and throughout District 5. (Campos)
Mayor Reed and Council Members Campos and Liccardo recognized and commended the Downtown Streets Team for their enthusiasm and commitment in helping to keep the streets clean in Mayfair and District 5.
- 1.2 Presentation of a proclamation recognizing February 7, 2014 as “National Wear Red Day” in the City of San José. (Constant)
Mayor Reed and Council Member Constant recognized Friday, February 7, 2014 as “National Wear Red Day” in the City of San José to raise awareness for the fight against heart disease in women for the past 10 years. Everyone was encouraged to wear red on Friday expressing their support.

2. CONSENT CALENDAR

2.1 Approval of Minutes.

Recommendation: Approval of minutes.

- (a) Regular Minutes of October 1, 2013.
- (b) Minutes of the Joint Council/Successor Agency to the Redevelopment Agency of October 1, 2013.
- (c) Regular Minutes of October 8, 2013.
- (d) Joint City Council and Santa Clara County Board of Supervisors Minutes of October 18, 2013.
- (e) Regular Minutes of October 22, 2013.
- (f) Regular Minutes of October 29, 2013.

Approved.

2.2 Final Adoption of Ordinances.

There were none.

2.3 Approval of Council Committee Reports.

Recommendation: Approval of Council Committee Reports.

- (a) Rules and Open Government Committee Report of January 15, 2014. (Mayor)
- (b) Public Safety, Finance, and Strategic Support Committee Report of January 16, 2014. (Constant)
- (c) Economic Competitiveness Committee Report of November 4, 2013. (Mayor)
- (d) Economic Competitiveness Committee Report of December 2, 2013. (Mayor)

Approved.

2. CONSENT CALENDAR

2.4 Mayor and Council Excused Absence Requests.

Recommendation:

- (a) Request for an excused absence for Council Member Constant from the Regular Meetings of Rules and Open Government Committee on January 29, 2014, February 5, 2014 and February 12, 2014 due to Scheduling Conflict. (Constant) (Rules Committee referral 1/29/14)

Approved.

2.5 City Council Travel Reports.

There were none.

2.6 Report from the Council Liaison to the Retirement Boards.

There were none.

2.7 Continuation of Construction Tax Suspension for Office/Research & Development.

Recommendation: Approve an ordinance amending Section 4.46.039.10 of Chapter 4.46 of Title 4 of the San José Municipal Code and Section 4.47.095 of Chapter 4.47 of Title 4 to extend the partial suspension of the collection of the building and structure construction tax and the suspension of the collection of the commercial-residential-mobile home park building tax for tenant improvements to office research and development uses, data center uses and installation of solar photovoltaic systems until March 31, 2017. CEQA: Not a Project; File No. PP10-067 (a), Increase or Adjustment to Fees, Rates & Fares. (City Attorney's Office)

Ordinance No. 29374 passed for publication.

2.8 Amendment to Agreement for Legal Services Related to the Airport with Orrick Herrington & Sutcliffe LLP.

Recommendation: Adopt a resolution authorizing the City Attorney to negotiate and execute a Nineteenth Amendment to the agreement with Orrick Herrington & Sutcliffe LLP for legal services related to the City's outstanding Airport revenue debt to increase the compensation by \$75,000 for a total compensation not to exceed \$735,000. CEQA: Not a Project; File No. PP10-066(e), Services that involve no physical changes to the environment. (City Attorney's Office)

Resolution No. 76917 adopted.

2. CONSENT CALENDAR

2.9 Report on Bids and Award of Contract for 7409 – Water Valve Rehabilitation 2014 Rebid.

Recommendation:

- (a) Reject all bids received on October 10, 2013 for Project 7409 – Water Valve Rehabilitation 2014 project.

All Bids Rejected.

- (b) Report on bids received on December 12, 2013, and award of contract for the 7409 – Water Valve Rehabilitation Rebid project to the low bidder, San José Water Company, for the base bid and Add Alternate No. 1 in the amount of \$418,500, and approve a contingency in the amount of \$62,775.

CEQA: Exempt, File No. PP13-089. (Environmental Services/Public Works)

Approved.

2.10 Actions Related to the Purchase Order 48837 with Buckles Smith Electrical for Electrical Supplies.

Recommendation: Authorize the City Manager to:

- (a) Amend Purchase Order 48837 with Buckles Smith Electric (San José, CA), for the purchase of new and reconditioned supplies and electrical parts, to increase maximum compensation by \$700,000, for a revised total amount not-to-exceed \$1,780,000 for the current term ending June 30, 2014.
- (b) Amend Purchase Order 48837 to increase the not-to-exceed amount for the remainder of the current term ending on June 30, 2014, in the event that the usage exceeds estimates, subject to the appropriation of funds.
- (c) Exercise the remaining one-year options to issue a new purchase order for the period July 1, 2014 through June 30, 2015, subject to the appropriation of funds.

CEQA: Not a Project, File No. PP10-066(a), Purchase of Supplies, Equipment and Professional Services with no changes in the physical environment. (Finance)

Approved.

2.11 Cost-Share Agreement with the Santa Clara Valley Transportation Authority for the Sanitary Sewer Relocation Project.

Recommendation: Approve an agreement with Santa Clara Valley Transportation Authority for the Sanitary Sewer Relocation Project on Alum Rock Avenue from the date of execution to June 30, 2015, in an amount not to exceed \$643,000. CEQA: Exempt, File No. PP13-076. Council District 5. (Public Works)

Approved.

2. CONSENT CALENDAR

2.12 Actions Related to Council Member Chu's Travel to San Francisco, CA.

Recommendation:

- (a) Approve travel by Council Member Chu to San Francisco, CA on February 20 - 21, 2014 to attend the League of California Cities League Board of Director's Meeting. Source of Funds: League of California Cities. (Chu)
- (b) Request for an excused absence for Council Member Chu from the Regular Meeting of Public Safety, Finance and Strategic Support Committee on February 20, 2014 due to Authorized City Business: League of California Cities Annual Conference and Board of Director's Meeting. (Chu)

Approved.

3. STRATEGIC SUPPORT SERVICES

3.1 Report of the City Manager, Edward Shikada (Verbal Report)

City Manager Edward K. Shikada reported that Monday, February 10, 2014, Council and Senior Staff will be attending the 2014-2015 Budget Planning Study Session to hear and discuss the Telephone Budget Survey Results, the Neighborhood Associations/Youth Commission Priority Setting Results, the General Fund Forecast Review and Potential Revenue Measures and the General Fund Budget Priorities.

3.2 Labor Negotiations Update

Recommendation: Accept Labor Negotiations Update.

Heard at 9:00 a.m.

No Report.

3.3 Amendments to the Agreements for Airport Commercial Paper Program Letter of Credit Replacement.

Recommendation: Adopt a resolution authorizing the City's designated officers to negotiate, execute and deliver the following agreements related to the City of San José, San José International Airport Subordinated Commercial Paper Notes:

- (a) Letter of credit and reimbursement agreement with Barclays Bank PLC, and the associated fee letter.
- (b) Third Amended and Restated Issuing and Paying Agent Agreement with U.S. Bank National Association.
- (c) Third amended and restated dealer agreements with each of Barclays Capital Inc., Citigroup Global Markets Inc. and a fourth amended and restated dealer agreement with Morgan Stanley & Co., LLC and authorizing the City's designated officers to take other necessary actions in connection therewith.

CEQA: Not a Project, File No. PP10-066, Agreements/Contracts (New or Amended).
(Finance)

Resolution No. 76918 adopted.

3. STRATEGIC SUPPORT SERVICES

3.4 Commission Appointments.

Recommendation:

- (a) (1) Approve appointments to the Housing and Community Development Commission; or, in the alternative
- (2) Approve an ordinance amending Section 2.08.090 and Part 28 of Chapter 2.08 of Title 2 of the San José Municipal Code to modify the appointment process for the Housing and Community Development Commission and to make modifications to the quorum requirements for all boards and commissions.
- (b) Approve an ordinance amending Part 32 of Chapter 2.08 of Title 2 of the San José Municipal Code adding the appointment process for the Library and Early Education Commission.

CEQA: Not a Project; File No. PP10-068(b), Municipal Code or Policy change, Title 2 (Administration). (City Clerk/City Attorney)

Deferred to February 11, 2014 per Orders of the Day.

3.5 Amendments to the City Pay Plan for Various Classifications.

Recommendation: Adopt a resolution to:

- (a) Amend the City of San José Pay Plan effective February 4, 2014, to create the following classifications:
 - (1) Assistant Communications Manager (8522)
 - (2) Crisis Intervention Training Manager (8541)
- (b) Amend the City of San José Pay Plan effective February 4, 2014, to change the salary range and title for the following classifications:
 - (1) Latent Fingerprint Examiner I/II/III (2241/2242/2246) (formerly Latent Fingerprint Examiner I/II (2241/2242))

CEQA: Not a Project, File No. PP10-068(b), Municipal Code or Policy change, Title 3 (Personnel). (Human Resources)

Resolution No. 76919 adopted.

3.6 Comprehensive Annual Financial Report for Retirement Plans for Fiscal Years Ending June 30, 2013 and June 30, 2012.

Recommendation: Accept the following annual reports:

- (a) Police and Fire Department Retirement Plan Comprehensive Annual Financial Report for the Fiscal Years ended June 30, 2013 and June 30, 2012. (b) Federated City Employees' Retirement System Comprehensive Annual Financial Report for the Fiscal Years ended June 30, 2013 and June 30, 2012.

CEQA: Not a Project, File No. PP10-069(a), Annual Reports that involve no approvals of any City action. (Retirement)

Accepted.

Staff was directed to return to Council and report out the 2013 numbers, when available, related to the 3.7 Billion unfunded liability between 2012 and 2013.

4. COMMUNITY & ECONOMIC DEVELOPMENT

4.1 Rezoning the Real Property Located on the Northwest Corner of Charcot Avenue and Junction Avenue.

Recommendation: Consideration of an ordinance rezoning the real property located on the northwest corner of Charcot Avenue and Junction Avenue (521 Charcot Avenue) from the LI(PD) Planned Development Zoning District to the LI(PD) Planned Development Zoning District to allow light industrial uses, vehicle storage and warehousing, public and private events, general office, and commercial support on a 6.7 gross acre site (Club Auto Sport-Silicon Valley, LLC, Owner). CEQA: Final Program Environmental Impact Report for the North San Jose Development Policies Update, Resolution No. 72768. (Planning, Building and Code Enforcement)

PDC13-008 – District 4

Ordinance No. 29375 passed for publication.

5. NEIGHBORHOOD SERVICES

5.1 Bond Funded Softball Facility Update.

Recommendation: Accept the report which provides an update on the Measure P Bond funded softball facility site selection process and direct staff to proceed with next steps toward implementing the following recommendations:

- (a) Pursue negotiations with the owners of the Arcadia site as shown on Attachment A for the development of a bond funded softball facility at that site with a minimum of four adult sized lighted softball fields; and
- (b) Return to the City Council in late 2014 with recommendations on how to allocate any remaining reserves in the Parks and Recreation Bond Projects Fund for the softball facility.

CEQA: Not a Project, File No. PP10-069(a), Staff Reports that involve no approvals of City actions. (Parks, Recreation and Neighborhood Services)

Heard Last.

The memorandum from Council Member Rocha, dated February 3, 2014, was approved, as amended, and accepted the Staff recommendations, with the following additions:

- (1) **In order to create accurate expectations, clearly state that this project is intended to be a citywide amenity that would serve all residents equally. It is not intended to be a neighborhood amenity that would primarily serve youth baseball leagues based in the Evergreen area.**
- (2) **Staff was requested to explain the shift in wording between the outcome section in their previous Staff report dated October 15, 2013 and their most recent report dated January 13, 2014. Specifically, Staff was requested to explain the reason for the change from describing the project as a “Softball Facility” to a “Ballfield Facility”.**

(Action Continued on the Next Page)

5. NEIGHBORHOOD SERVICES

5.1 Bond Funded Softball Facility Update. (Action Cont'd.)

- (3) Staff was directed to alert the Council if any California Environmental Quality Act of 1970 (CEQA) mitigations, approvals from the County Airport Land Use Commission or other regulatory requirements will impose additional costs, design requirements or operational restrictions that would impair the City's ability to operate a citywide tournament complex on the site.**
- (4) Staff was directed to inform the County of Santa Clara that the Council is still open to pursuing the Fairgrounds.**
- (5) Staff was further requested to consider, as a priority, refinishing some of the fields around the City, including Alviso.**

6. TRANSPORTATION & AVIATION SERVICES

6.1 Agreement with IPS Group, Inc. for Smart Meters Parking.

Recommendation:

- (a) Adopt a resolution authorizing the City Manager to:**
 - (1) Negotiate and execute a one-year agreement with IPS Group, Inc. (San Diego, CA) for the purchase of 1,200 single-space parking "Smart Meters", parking occupancy sensors, installation services, a hosted Web based application for system administration and applicable sales tax for a not-to-exceed amount of \$1,294,700.**
 - (2) Negotiate and execute amendments and change orders to the agreement to purchase additional Smart Meters as required, maintenance and support, payment processing, and a hosted Web based application for system administration; and to add, delete or relocate Smart Meters as required, subject to the appropriation of funds.**
 - (3) Execute up to nine additional one-year options to extend the term of the agreement for on-going hosting services, system administration, payment processing, and maintenance and support, subject to the annual appropriation of funds.**

Resolution No. 76920 adopted.

Noes: Oliverio.

(Item Continued on the Next Page)

6. TRANSPORTATION & AVIATION SERVICES

6.1 Agreement with IPS Group, Inc. for Smart Meters Parking. (Cont'd.)

- (b) Adopt the following Appropriation Ordinance amendments in the General Purpose Parking Fund:
- (1) Increase the appropriation to the Department of Transportation for Revenue Control and Meter Upgrades in the amount of \$250,000.
 - (2) Decrease the appropriation to the Department of Transportation for the Minor Parking Facility Improvements by the same amount of \$250,000.

CEQA: Exempt, File No. PP14-008. Council District 3. (Finance/Transportation/City Manager's Office)

Ordinance No. 29376 adopted.

The memorandum from Council Member Liccardo, dated February 3, 2014, was approved, as amended, eliminating the reference to Community Parking District (CPD) from his memorandum and supplanting it with the following: *a funding mechanism allowing Staff to determine what, if any, funding mechanism would be appropriate and allow that to come back in the budget process for Council to discuss whether there is a rate increase, how much and whether some funding mechanism might be created over the next 1-1/2 years before any new revenue would actually be available beyond what is required to pay for the smart meters.*

- (1) The memorandum from Council Members Kalra and Chu, dated January 31, 2014, was approved, with Staff directed to return to Council during the budget process with potential alternatives to increasing parking meter rates to cover cost of implementation of smart parking meters.
- (2) In light of the contemplated parking rate increase described on Page 6 of the Staff memorandum, the City Manager was directed to develop a *funding mechanism* for consideration by the Council as part of the 2014-2015 budget process that would enable the creation of a *funding mechanism* where on street parking revenues would be generated, such that:
 - (a) The *funding mechanism* would receive new on street parking revenues generated within their district after July 1, 2014.
 - (b) The on street revenues for a *funding mechanism* use would be calculated after subtracting all annual costs of administering the *funding mechanism*, parking meter operations, meter installation and City overhead.
 - (c) In already established meter districts (Japantown and Downtown) and potential new urban villages and other locations citywide a *funding mechanism* would control the net new funds for reinvestment in their respective business districts.
 - (d) The Council would appoint an Advisory Board in each district to manage the *funding mechanism* and would submit annual plans and reports to Council on how revenue is spent and managed, similar to the current practice for existing Business Improvement Districts.
- (3) Evaluate the viability, liabilities and advantages of the creation of a *funding mechanism* for Council discussion during the review of proposed meter rate increases during the FY 2014-2015 budget process.

Noes: Oliverio.

7. ENVIRONMENTAL & UTILITY SERVICES

8. PUBLIC SAFETY SERVICES

8.1 Extension of Urgency Ordinance and Other Actions to Control Invasive Wild Pig Population.

Recommendation: As recommended by Rules and Open Government Committee on January 29, 2014:

- (a) Adopt an urgency ordinance to extend the effectiveness of Ordinance No. 29336 which amends Section 10.32.010 of Chapter 10.32 of Title 10 of the San José Municipal Code to allow persons with duly issued and approved trapping licenses and wild pig depredation permits from the California Department of Fish and Wildlife to discharge firearms within the limits of the City under specified circumstances until February 2, 2015, as recommended by staff, to prevent a gap in providing a solution to the wild pig issue within San José and to allow for evaluation of the Urgency Ordinance through full seasonal migration patterns of local wild pig populations;

Urgency Ordinance No. 29377 adopted, effective until February 2, 2015.

The following findings were adopted: There have been recent reports from residents in Almaden Valley and residents near Metcalf Park that due to the drought conditions feral or wild pigs continue to roam through the neighborhoods to forage for food and water. In rooting for food these pigs cause extensive property damage to residential properties. Such wild pigs have tusks, can travel in herds, and are known carriers of diseases. Their continued presence in the residential neighborhoods is a menace and can lead to confrontations that endanger the health and safety of the residents.

Noes: Rocha.

- (b) Direct staff to monitor complaints of wild pig incidences and record their observations on the effectiveness of the Urgency Ordinance and any challenges that ensue during the coming year;
- (c) Direct staff to continue to engage with stakeholders to encourage the County to consider taking concrete steps to reduce wild pig populations, through methods such as those employed in Monterey and Alameda Counties; and
- (d) Direct staff to bring back to Council a recommendation for permanent ordinance, with input from the appropriate departments including Animal Services and the SJPd, in early December of 2014, so Council may consider it before the expiration of the Urgency Ordinance.

CEQA: Use of the Final EIR for the Santa Clara Valley Habitat Conservation Plan, File No. PP13-103 (Khamis)

[Rules Committee referral 1/29/14 – Item G(5)]

Approved.

Noes: Rocha.

9. REDEVELOPMENT – SUCCESSOR AGENCY

- **Open Forum**
Jeff Bedolla expressed concerns about the Emory Street Pedestrian Easement from Stockton Avenue to Laurel Street near Bellarmine College Preparatory School.
- **Adjournment**
The Council of the City of San José was adjourned at 5:31 p.m.