



# CITY COUNCIL AGENDA

**JUNE 3, 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, 2<sup>nd</sup> 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](mailto: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**  
9:34 a.m. - Closed Session, Call to Order in Council Chambers  
**Absent Council Members: Campos, Herrera. (Excused)**  
1:31 p.m. - Regular Session, Council Chambers, City Hall  
**Absent Council Members: Constant. (Excused)**
- **Invocation (District 6)**  
Father Sergio, of St. Martin of Tours Parish provided the Invocation.
- **Pledge of Allegiance**  
Mayor Reed led the Pledge of Allegiance, accompanied by third-grade students from Easterbrook Elementary School.
- **Orders of the Day**  
The Orders of the Day and the Amended Agenda were approved.
- **Closed Session Report**  
None.

# 1. CEREMONIAL ITEMS

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- 1.1 Presentation of a commendation to the winners of the 2014 Falcon Naming Contest.  
(Mayor)  
**Deferred to 6/10/14 Per City Clerk.**
- 1.2 Presentation of a proclamation for “Meatless Mondays” in the City of San José. (Kalra)  
(Rules Committee referral 5/28/14)  
**Mayor Reed and Council Member Kalra recognized “Meatless Mondays” in the City of San José.**

# 2. CONSENT CALENDAR

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- 2.1 **Approval of Minutes.**  
**None provided.**
- 2.2 **Final Adoption of Ordinances.**

**Recommendation:** Final adoption of ordinances.

- (a) ORD. NO. 29414 – Rezoning certain real property situated on the south side of Balbach Street, 100 feet east of Almaden Avenue (APN 26430067), from the A(PD) Planned Development Zoning District to the A(PD) Planned Development Zoning District. PDC13-027

**Ordinance No. 29414 adopted.**

- (b) ORD. NO. 29415 – Rezoning certain real property situated on the north side of Huff Avenue, approximately 350 feet west of South Baywood Avenue to the A(PD) Planned Development Zoning District. PDC13-011

**Ordinance No. 29415 adopted.**

- 2.3 **Approval of Council Committee Reports.**

**Recommendation:** Approval of Council Committee Reports.

- (a) Transportation and Environment Committee Report of May 5, 2014. (Liccardo)  
(d) Public Safety, Finance, and Strategic Support Committee Report of May 15, 2014. (Constant)  
(e) Community and Economic Development Committee Report of May 19, 2014. (Herrera)

**Approved.**

- (b) Rules and Open Government Committee Report of May 7, 2014. (Mayor)  
(c) Rules and Open Government Committee Report of May 14, 2014. (Mayor)  
**Deferred to 6/10/14 per City Clerk.**

## 2. CONSENT CALENDAR

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2.4 **Mayor and Council Excused Absence Requests.**  
None provided.

2.5 **City Council Travel Reports.**  
None provided.

2.6 **Report from the Council Liaison to the Retirement Boards.**  
None provided.

2.7 **Agreement with Landrum & Brown, Inc. for Airspace and Airfield Analysis Services for the Airport.**

**Recommendation:**

(a) Approve a Consultant Agreement with Landrum & Brown, Inc. for airspace and airfield analysis services for the Norman Y. Mineta San José International Airport in an amount not to exceed \$350,000 and for the term of July 1, 2014 to June 30, 2017;  
**Approved.**

(b) Adopt a resolution authorizing the Director of Aviation to exercise an option to extend the agreement for one additional three-year term from July 1, 2017 through June 30, 2020.

CEQA: Not a Project, File No. PP10-066(d), Consultant services for design, study, research and inspection. (Airport)

**Resolution No. 76987 adopted.**

2.8 **Agreement with the Santa Clara County Valley Transportation Authority (VTA) for Airport Bus Service.**

**Recommendation:**

(a) Approve an agreement for Airport Bus Service between the City of San José and the Santa Clara County Valley Transportation Authority (VTA) for a term from July 1, 2014 to June 30, 2019, with first year compensation to VTA not to exceed \$675,020;

**Approved.**

(b) Adopt a resolution authorizing the City Manager to exercise options to extend the agreement for up to five additional one-year periods, subject to appropriation of funds by the City Council.

CEQA: Not a Project, File No. PP10-066(e), Services that involve no physical changes to the environment. (Airport)

**Resolution No. 76988 adopted.**

## 2. CONSENT CALENDAR

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### 2.9 Grant Applications for Funding from the Federal Aviation Administration for Airport Improvement Program Projects.

**Recommendation:** Adopt a resolution authorizing the City Manager, or his designee, to apply for, and execute upon receipt, grants from the Federal Aviation Administration in a total amount not to exceed \$8,000,000 for certain Airport Improvement Program projects at the Norman Y. Mineta San José International Airport. CEQA: Airport Master Plan EIR Resolution Nos. 67380 and 71451, File Nos. PP14-035 and PP14-040. (Airport)  
**Resolution No. 76989 adopted.**

### 2.10 Legal Services Agreement with Hogan Lovells US LLP related to Aviation Matters at the Norman Y. Mineta San José International Airport.

**Recommendation:** Adopt a resolution authorizing the City Attorney to execute an Eleventh Amendment to the Agreement for Legal Services with Hogan Lovells US LLP for legal services related to aviation matters at the Norman Y. Mineta San José International Airport, extending the term of the Agreement from June 30, 2014 to June 30, 2015, and increasing the total compensation by \$100,000 to an amount not to exceed \$370,000. CEQA: Not a Project, File No. PP10-066(e), Services that involve no physical changes to the environment. (City Attorney)  
**Resolution No. 76990 adopted.**

### 2.11 Audit of the Housing Loan Portfolio.

**Recommendation:** As recommended by the Public Safety, Finance, and Strategic Support Committee on May 15, 2014, accept the Audit of the Housing Loan Portfolio. CEQA: Not a Project, File No. PP10-069, Staff Report. (City Auditor)  
[Public Safety, Finance, and Strategic Support Committee referral 5/15/14 – Item D(4)]  
**Accepted.**

### 2.12 Neighborhoods Commission Appointments.

**Recommendation:** Appoint Johnson Tran to the vacant District 4 position on the Neighborhoods Commission to an unexpired term ending June 30, 2016. (City Clerk)  
**Appointed.**

### 2.13 Terms of an Agreement with the Municipal Employees' Federation, AFSCME, LOCAL 101 (MEF) with a Term of July 1, 2014 through June 30, 2015.

**Recommendation:** Adopt a resolution to approve the terms of a collective bargaining agreement between the City and the Municipal Employees' Federation, AFSCME, Local 101 (MEF), and authorize the City Manager to execute an agreement with a term of July 1, 2014 through June 30, 2015. CEQA: Not a Project, File No. PP10-069(b), Personnel Related Decisions. (City Manager)  
**Resolution No. 76991 adopted.**

## 2. CONSENT CALENDAR

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**2.14 Terms of an Agreement with the Confidential Employees' Organization, AFSCME, LOCAL 101 (CEO) with a Term of July 1, 2014 through June 30, 2015.**

**Recommendation:** Adopt a resolution to approve the terms of a collective bargaining agreement between the City and the Confidential Employees' Organization, AFSCME, Local 101 (CEO), and authorize the City Manager to execute an agreement with a term of July 1, 2014 through June 30, 2015. CEQA: Not a Project, File No. PP10-069(b), Personnel Related Decisions. (City Manager)

**Resolution No. 76992 adopted.**

**2.15 Terms of an Agreement with the Association of Legal Professionals (ALP) with a Term of July 1, 2014 through June 30, 2015.**

**Recommendation:** Adopt a resolution to approve the terms of a collective bargaining agreement between the City and the Association of Legal Professionals (ALP), and authorize the City Manager to execute an agreement with a term of July 1, 2014 through June 30, 2015. CEQA: Not a Project, File No. PP10-069(b), Personnel Related Decisions. (City Manager)

**Resolution No. 76993 adopted.**

**2.16 Terms of an Agreement with the International Union of Operating Engineers, Local No. 3 (OE#3) with a Term of July 1, 2014 through June 30, 2015.**

**Recommendation:** Adopt a resolution to approve the terms of a collective bargaining agreement between the City and the International Union of Operating Engineers, Local No. 3 (OE#3), and authorize the City Manager to execute an agreement with a term of July 1, 2014 through June 30, 2015. CEQA: Not a Project, File No. PP10-069(b), Personnel Related Decisions. (City Manager)

**Resolution No. 76994 adopted.**

**2.17 Compensation Changes for Executive Management and Professional Employees in Unit 99, Other Unrepresented Employees (Units 81/82), Effective June 22, 2014 and an Amendment to the Pay Plan for Assistant Police Chief Classification, Effective June 22, 2014.**

**Recommendation:**

- (a) Adopt a resolution approving compensation and benefit changes for executive management and professional employees in Unit 99 and other unrepresented employees (Units 81/82), effective June 22, 2014; and

**Resolution No. 76995 adopted.**

*(Item Continued on the next page)*

## 2. CONSENT CALENDAR

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### 2.17 (Cont'd.)

- (b) Adopt a resolution to amend the City of San José Pay Plan effective June 22, 2014, to provide an approximately .33% special base pay increase to the Assistant Police Chief classification, which results in increasing by approximately .33% the top of the salary range for the classification of Assistant Police Chief (2225), in addition to the general wage increase effective June 22, 2014.

CEQA: Not a Project, File No. PP10-069(b), Personnel Related Decisions. (City Manager)

**Resolution No. 76996 adopted.**

### 2.18 Actions Related to Councilmember Constant's Travel to Houston, TX.

#### **Recommendation:**

- (a) Approve travel by Councilmember Constant to Houston, TX on June 3 – 5, 2014 to speak at the 2014 Leadership Forum: Municipal Finance. Source of Funds: Greater Houston Partnership.
- (b) Request for an excused absence for Councilmember Constant from the Executive Session and the Regular City Council Meeting on June 3, 2014 and the Regular Meeting of the Rules and Open Government Committee on June 4, 2014 due to Authorized City Business: 2014 Leadership Forum: Municipal Finance.

(Constant)

(Rules Committee referral 5/15/14)

**Approved.**

### 2.19 Setting Public Hearings on the Japantown and Downtown Business Improvement District Reports for FY 2014-2015.

#### **Recommendation:**

- (a) Preliminary approval of the report as filed by the Japantown Business Improvement District Advisory Board, or as modified by Council; and adoption of a resolution of intention to levy the annual assessment for Fiscal Year 2014-15, and set June 17, 2014 at 1:30 p.m. as the date and time for the public hearing on the levy of the proposed assessments.

**Resolution No. 76997 adopted.**

- (b) Preliminary approval of the report as filed by the Downtown Business Improvement District Advisory Board, or as modified by Council; and adoption of a resolution of intention to levy the annual assessment for Fiscal Year 2014-2015, to suspend collection of the Downtown BID assessments for businesses that qualify for the business tax financial hardship exemption under the City's general business tax ordinance, and set June 17, 2014 at 1:30 p.m. as the date and time for the public hearing on the foregoing matters.

CEQA: Exempt, File No. PP08-048. Council District 3. (Economic Development)

**Resolution No. 76998 adopted.**

## 2. CONSENT CALENDAR

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### 2.20 Agreement with Team San José for July 2014 through June 2019.

**Recommendation:** Adopt a resolution authorizing the City Manager to execute a Qualified Management Agreement and Convention and Visitors Bureau Services Agreement with Team San José for the period of July 1, 2014 through June 30, 2019, with two additional five-year options. CEQA: Not a Project, File No. PP10-066(e), Agreements and Contracts. Council District 3. (Economic Development)

**Resolution No. 76999 adopted.**

### 2.21 Amendment to the Public Address System Agreement for the Airport with Signature Technologies, Inc.

**Recommendation:** Adopt a resolution authorizing the City Manager to:

- (a) Execute the Third Amendment to the Public Address System Agreement with Signature Technologies, Inc., dba Com-Net Software to extend services for system maintenance and support for one additional twelve month period for the term July 15, 2014, through July 14, 2015, revise the maintenance schedule so that each airport terminal is on the same term with coterminous end dates, and increase compensation by \$39,234 for a revised maximum compensation of \$3,618,893;
- (b) Negotiate and execute subsequent amendments to the Agreement to replace hardware for the purpose of minimizing system maintenance costs, subject to the appropriation of funds; and
- (c) Execute up to four additional one-year options to extend the agreement through July 14, 2019 to provide ongoing maintenance and support for an estimated annual cost of \$141,000, subject to the appropriation of funds.

CEQA: Not a Project, File No. PP10-066(e), Services that involve no physical changes to the environment. (Finance)

**Resolution No. 77000 adopted.**

### 2.22 Amendment to the Agreement with Santa Clara Central Fire Protection District for Emergency Response Services to Zone One.

**Recommendation:** Approve a First Amendment to the Agreement with the Santa Clara Central Fire Protection District for the City of San José to provide emergency response services to Zone One from July 1, 2014 through December 31, 2015; with an option to extend the term of this Agreement through June 30, 2019, by mutual agreement. CEQA: Not a Project, File No. PP10-066(g), Memorandum of Understanding. (Fire)

**Approved.**

## 2. CONSENT CALENDAR

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### 2.23 **Amendment to the Agreement with AmeriNational Community Services, Inc. for Loan Servicing and Funds-Disbursement Services.**

**Recommendation:** Approve a Sixth Amendment to the Agreement with AmeriNational Community Services, increasing the amount of the agreement by \$50,000 from \$375,000 to \$425,000 and extending the term from June 30, 2014, to December 31, 2014. CEQA: Not a Project, File No. PP10-066(e), Services that involve no physical changes to the environment. (Housing)

**Approved.**

### 2.24 **Amendment to the Agreement with InnVision Shelter Network for Maintenance and Operation of Haven Disaster Relief Shelter.**

**Recommendation:** Adopt a resolution authorizing the City Manager to execute a Continuation and Third Amendment to an Agreement with InnVision Shelter Network, successor to InnVision the Way Home, for operator services, in an amount not to exceed \$90,000 for maintenance and operation of the Haven Disaster Relief Shelter and Triplex affordable housing units, located at 937 and 943 Locust Street, retroactively from July 1, 2012 to June 30, 2014, with options to extend the Agreement through June 30, 2015. CEQA: Not a Project, File No. PP10-066(e), Agreements and Contracts. Council District 3. (Housing)

**Resolution No. 77001 adopted.**

### 2.25 **Agreement with Managed Health Network for Employee Assistance Programs, Critical Incident Stress Management and Substance Abuse Treatment.**

**Recommendation:** Approve an agreement between the City and Managed Health Network for the initial period of July 1, 2014 through June 30, 2015, with additional option periods that would extend the agreement through December 31, 2016, for Employee Assistance Program, Critical Incident Stress Management, and substance abuse treatment for a total cost that will not exceed \$1,560,000, subject to the annual appropriation of funds. CEQA: Not a Project, File No. PP10-066(e), Services that involve no physical changes to the environment. (Human Resources)

**Deferred to 6/10/14 per Administration.**

## 2. CONSENT CALENDAR

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### 2.26 Eritrean Independence Day Flag Raising.

**Recommendation:** As recommended by the Rules and Open Government Committee on May 21, 2014:

- (a) Approve the District 3 Eritrean Independence Day Flag Raising Ceremony scheduled for May 23, 2014 as a City Council sponsored Special Event and approve the expenditure of funds; and
- (b) Approve and accept donations from various individuals, businesses or community groups to support the event.

CEQA: Not a Project. (Liccardo)

[Rules Committee referral 5/21/14 – Item G(2)]

**Approved.**

### 2.27 Report on Request for Proposal for the Utility Billing System.

**Recommendation:** Accept the report on the Request for Proposal for the purchase of a Utility Billing System and adopt a resolution authorizing the City Manager to:

- (a) Negotiate and execute an agreement with Harris Local Government Solutions Inc., doing business as Advanced Utility Systems Corporation (Toronto, Ontario) for the purchase of a Utility Billing System to include software, installation, implementation, data migration, training and related professional services, taxes, maintenance and support, for an initial five year term ending June 2019, with a maximum compensation not-to-exceed \$2,236,875, subject to the appropriation of funds;
- (b) Execute change orders to cover any unanticipated changes or requirements in the system design and implementation not to exceed \$335,531 (15%) as may be required, subject to the appropriation of funds; and
- (c) Execute one-year options to extend the term of the agreement to provide ongoing maintenance and technical support after the initial five year term, subject to the annual appropriation of funds.

CEQA: Not a Project, File No. PP10-066(a), Agreements and Contracts. (Finance)

***Renumbered from Item 3.4***

**Resolution No. 77002 adopted.**

### 2.28 *Item 2.28 Not Used.*

## 2. CONSENT CALENDAR

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### 2.29 Amendment to the City Council Policy 9 - 9 Smoking Policy for Any Building Owned, Leased or Occupied By the City, Relating to Electronic Cigarettes (e-cigarettes).

**Recommendation:** Adopt a resolution amending City Council Policy 9-9 titled “Smoking Policy for any Building Owned, Leased or Occupied by the City” to revise the definition of smoking to include Electronic Cigarettes (e-cigarettes) and to apply the Policy to the Mineta San José International Airport. CEQA: Not a Project, File No. PP10-068(b), Municipal Code or Policy that involves no changes in the physical environment. (Public Works)

*Renumbered from Item 4.6*

**Resolution No. 77003 adopted, with City Council Policy 9-9 to apply City-wide including the Norman Y. Mineta San José International Airport. Staff to return in August, as outlined in the joint memorandum from Council Members Kalra, Chu and Rocha, dated May 30, 2014, with a report to adopt language used in the Council Policy 9-9 to amend Chapter 9.44 of Title 9 of the San José Municipal Code: 9.44.022: “Smoking” is defined either (1) inhaling, exhaling, burning or carrying a lighted cigarette, cigar, pipe or other apparatus used to smoke tobacco or other organic or non-organic material; or (2) the use of an electronic cigarette as defined in California Health & Safety Code Section 119405 (“e-cigarette”) or a similar device intended to emulate smoking which permits a person to inhale vapors or mists that may or may not include nicotine; and 9.44.040 “Exceptions”: B. Retail tobacco and vape stores which sell primarily tobacco products and vape products.**

Noes: Khamis, Oliverio.

### 2.30 Municipal Water System Rules and Regulations Fees.

**Recommendation:** Adopt a resolution revising the Rules and Regulations for operation of the San José Municipal Water System and repealing Resolution No. 73258 to incorporate technical corrections, revise shut-off procedures, update provisions on cross-connections and fire hydrant usage, and increase fees for meter accuracy tests and re-connections. Council Districts 2, 4, 7 and 8. CEQA: Not a Project, File No. PP10-068(c), Code or Policy change that involve no changes in the physical environment. (Environmental Services)

*Renumbered from Item 7.1.*

**Resolution No. 77004 adopted.**

## 2. CONSENT CALENDAR

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### 2.31 Terms of an Agreement with the City Association of Management Personnel, IFPTE, Local 21 (CAMP) with a term of July 1, 2014 through June 30, 2015.

**Recommendation:** Adopt a resolution to approve the terms of a collective bargaining agreement between the City and the City Association of Management Personnel, IFPTE, Local 21 (CAMP), and authorizing the City Manager to execute an agreement with a term of July 1, 2014 through June 30, 2015. CEQA: Not a Project, File No. PP10-069(b), Personnel Related Decisions. (City Manager)

[Rules Committee referral 5/28/14]

**Resolution No. 77005 adopted.**

### 2.32 Rainbow Flag Raising.

**Recommendation:** As recommended by the Rules and Open Government Committee on May 28, 2014:

- (a) Approve the Rainbow Flag Raising Ceremony as a City Council sponsored Special Event and approve the expenditure of funds; and
- (b) Approve and accept donations from various individuals, businesses or community groups to support the event.

CEQA: Not a Project. (Oliverio)

[Rules Committee referral 5/28/14 – Item G(3)]

**Approved.**

### 2.33 Salary for Council Appointees.

**Recommendation:** As recommended by the Rules and Open Government Committee on May 28, 2014, adopt a resolution to amend the City of San José Pay Plan to provide general salary increases of 3% effective June 22, 2014 for the City Manager, City Clerk, City Auditor, City Attorney, and Independent Police Auditor. CEQA: Not a Project; File No. PP10-069(b), Personnel Related Decision

[Rules Committee referral 5/28/14 – Item G(7)]

**Resolution No. 77006 adopted.**

### 2.34 State Mental Health Parity Enforcement Budget Act.

**Recommendation:** As recommended by the Rules and Open Government Committee on May 28, 2014, adopt a position of support for the State Mental Health Parity Enforcement Act. (City Manager)

[Rules Committee referral 5/28/14 – Item G(8)]

**Position of support adopted.**

### 3. STRATEGIC SUPPORT SERVICES

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**3.1 Report of the City Manager, Edward Shikada (Verbal Report).**  
None provided.

**3.2 Labor Negotiations Update.**

**Recommendation:** Accept Labor Negotiations Update.  
None provided.

**3.3 Actions Related to the Agreement with Google Fiber for Future Installation of Google Fiber Network.**

**Recommendation:**

- (a) Accept status report on the City's efforts to submit information requested by Google Fiber for its consideration of selecting San José for the future installation of a Google Fiber network; and
- (b) Adopt a resolution authorizing the City Manager or his designee to execute a master Network Hut License Agreement with Google Fiber, and to execute Network Hut Site Terms thereunder for individual sites following City Council approval of such individual sites.

CEQA: Not a Project, File No. PP10-066, Agreements and Contracts. (City Manager)  
(Deferred from 4/29/14 – Item 3.4, et al., 5/20/14 – Item 3.3)

**Deferred to 6/10/14 per Administration.**

**3.4 Report on Request for Proposal for the Utility Billing System.**

**Recommendation:** Accept the report on the Request for Proposal for the purchase of a Utility Billing System and adopt a resolution authorizing the City Manager to:

- (a) Negotiate and execute an agreement with Harris Local Government Solutions Inc., doing business as Advanced Utility Systems Corporation (Toronto, Ontario) for the purchase of a Utility Billing System to include software, installation, implementation, data migration, training and related professional services, taxes, maintenance and support, for an initial five year term ending June 2019, with a maximum compensation not-to-exceed \$2,236,875, subject to the appropriation of funds;
- (b) Execute change orders to cover any unanticipated changes or requirements in the system design and implementation not to exceed \$335,531 (15%) as may be required, subject to the appropriation of funds; and
- (c) Execute one-year options to extend the term of the agreement to provide ongoing maintenance and technical support after the initial five year term, subject to the annual appropriation of funds.

CEQA: Not a Project, File No. PP10-066(a), Agreements and Contracts. (Finance)  
**Renumbered to Item 2.27.**

## 4. COMMUNITY & ECONOMIC DEVELOPMENT

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### 4.1 Agreement with Prospect Silicon Valley for the Sublease of San José Environmental Innovation Center.

**Recommendation:**

- (a) Conduct a Public Hearing concerning an economic development subsidy to be provided to Prospect Silicon Valley or "Prospect SV," in connection with a below-market lease, pursuant to California Government Code Section 53083; and **Public hearing held.**
- (b) Adopt a resolution authorizing the City Manager, or his designee, to execute a below-market sublease, for an initial term of five years, plus two three-year extension options, with Prospect SV, for approximately 23,492 square feet of space in real property located at 1608 Las Plumas Avenue, known as the San José Environmental Innovation Center, or "EIC," for purposes of operating a clean technology demonstration center.

CEQA: Negative Declaration for the San José Environmental Innovation Center, File No. PP09-138. (Economic Development)

(Deferred from 5/6/14 – Item 4.1 and 5/13/14 – Item 4.1)

**Resolution No. 77007 adopted, with modifications to be made to the sublease terms: (1) Regarding Exhibit F-1, allow flexibility in the description of clean technology key sectors, including language “covered but not limited to” in designating clean tech uses; (2) Regarding Exhibit F-4, allow greater flexibility by deleting the reference to limiting the use rights to a period of 12 months in any 24-month period. (3) Modify Section 14.2 regarding Tenant’s share of Operating Expenses, excluding an automatic “increase by four percent (4%) per year”, basing increase instead on operations, with “a maximum 4% increase”.**

### 4.2 Special Events Ordinance.

**Recommendation:** As recommended by the Community and Economic Development Committee on April 28, 2014, of the two proposed Special Events ordinances, adopt the revised community special events ordinance that would add Chapter 13.14, repeal Chapters 13.12, 13.16, and 13.22, and amend Chapter 13.44 of Title 13 of the San José Municipal Code, in order to establish a comprehensive permit process for outdoor special events on or at City streets, parks, paseos and plaza. CEQA: Not a Project, File No. PP10-068(c), Municipal Code amendments involving no changes to the physical environment. (City Attorney/Economic Development)

[Community and Economic Development Committee referral 4/28/14 – Item D(4)]  
(Deferred from 5/20/14 – Item 4.1)

**Deferred to 6/10/14 per Administration**

## 4. COMMUNITY & ECONOMIC DEVELOPMENT

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### 4.3 Public Meeting on the Hotel Business Improvement District Report for FY 2014-2015.

**Recommendation:** Preliminary approval of the report as filed by the Hotel Business Improvement District Advisory Board, or as modified by Council; and adoption of a resolution of intention to levy increased assessments for Fiscal Year 2014-15, and confirming June 17, 2014 at 1:30 p.m. as the date and time for the public hearing on the levy of the proposed increased assessments. CEQA: Exempt, File No. PP08-048. (Economic Development)

**Resolution No. 77008 adopted.**

### 4.4 Public Hearing on the Reorganization/Annexation of Evergreen No. 203.

**Recommendation:** Conduct a Public Hearing and consider the adoption of a resolution ordering the reorganization of territory designated as Evergreen No. 203 which involves the annexation to the City of San José of an approximately 1.57 gross acre area consisting of one parcel located on the east side of San Felipe Road, approximately 550 feet north of Scenix Meadow Lane, and the detachment of properties within the annexation area from Central Fire Protection and Area No. 01 (Library Services) County Service (James T Nguyen, Owner). CEQA: Envision San José 2040 General Plan EIR Resolution No. 76041 (Related approved Rezoning File No. C13-039). Council District 8. (Planning, Building and Code Enforcement)

**Resolution No. 77009 adopted.**

### 4.5 Public Hearing on the Street Renaming of Phunglau Court to Joy Lane.

**Recommendation:** Conduct a Public Hearing and consider the adoption a resolution approving a street renaming to change the name of an existing private street from Phunglau Court to Joy Lane, located on the west side of Boynton Avenue approximately 400 feet southerly of Stevens Creek Boulevard (Phunglau Court) (Multiple Applicants). CEQA: Exempt. (Planning, Building and Code Enforcement)

ST14-002 – District 1

**Resolution No. 77010 adopted.**

### 4.6 Amendment to the City Council Policy 9 - 9 Smoking Policy for Any Building Owned, Leased or Occupied By the City, Relating to Electronic Cigarettes (e-cigarettes).

**Recommendation:** Adopt a resolution amending City Council Policy 9-9 titled “Smoking Policy for any Building Owned, Leased or Occupied by the City” to revise the definition of smoking to include Electronic Cigarettes (e-cigarettes) and to apply the Policy to the Mineta San José International Airport. CEQA: Not a Project, File No. PP10-068(b), Municipal Code or Policy that involves no changes in the physical environment. (Public Works)

**Renumbered to Item 2.29.**

## 5. NEIGHBORHOOD SERVICES

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### 5.1 Report on the San José's Bringing Everyone's Strengths Together and Mayor's Gang Prevention Task Force Programs.

**Recommendation:** As recommended by the Public Safety, Finance, and Strategic Support Committee on May 15, 2014:

- (a) Accept the Evaluation Report for FY 2012-2013 San José Bringing Everyone's Strengths Together (BEST) and the Mayor's Gang Prevention Task Force; and
- (b) Approve the Resource Allocation Plan for San José BEST and Safe Summer Initiative Grant programs for FY 2014- 2015.

CEQA: Not a Project, File No. PP10-066(e), Services that involve no physical changes to the environment. (Parks, Recreation and Neighborhood Services)

[Public Safety, Finance, and Strategic Support Committee referral 5/15/14 – Item D(6)]

**Deferred to 6/10/14 Per Administration.**

## 6. TRANSPORTATION & AVIATION SERVICES

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## 7. ENVIRONMENTAL & UTILITY SERVICES

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### 7.1 Municipal Water System Rules and Regulations Fees.

**Recommendation:** Adopt a resolution revising the Rules and Regulations for operation of the San José Municipal Water System and repealing Resolution No. 73258 to incorporate technical corrections, revise shut-off procedures, update provisions on cross-connections and fire hydrant usage, and increase fees for meter accuracy tests and re-connections. Council Districts 2, 4, 7 and 8. CEQA: Not a Project, File No. PP10-068(c), Code or Policy change that involve no changes in the physical environment. (Environmental Services)

***Renumbered to Item 2.30***

## 8. PUBLIC SAFETY SERVICES

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### 8.1 Continuation of Amendments to Title 20 and to Title 6 to Establish Medical Marijuana Regulations.

#### **Recommendation:**

- (a) Approve an ordinance of the City of San José repealing suspended ordinance no. 28958 except for those Sections of Title 20 of the San José Municipal Code related to Zoning Code Verification Certificates previously unsuspended by Ordinance No. 29089, and amending Title 20 by amending Section 20.10.040 of Chapter 20.10, amending Section 20.40.100 of Chapter 20.40; amending Section 20.50.100 of Chapter 20.50, amending Section 20.70.100 of Chapter 20.70, adding a new Part 9.75 to Chapter 20.80, and adding new Sections 20.100.1530, 20.100.1535 and 20.100.1540 to Part 13 of Chapter 20.100, all to establish Land Use regulations pertaining to medical marijuana collectives;
- (b) Approve an ordinance of the City of San José amending Title 6 of the San José Municipal Code to add a new Chapter 6.88 to establish a registration process pertaining to medical marijuana collectives; and, to establish regulations pertaining to medical marijuana collectives and to the individual cultivation and use of medical marijuana; and
- (c) Discussion of regulating campaign contributions by medical marijuana establishments, and other regulated businesses, to political candidates.

CEQA: Addendum to Negative Declaration File No. PP11-039 as previously addended; File No. PP14-030. Planning Commission recommends approval with modifications described in the transmittal memo. (City Manager/Planning, Building and Code Enforcement/Police)

(Continued from 5/13/14 – Item 8.1 and 5/20/14 – Item 8.2)

*Public testimony was taken at the May 13, 2014 City Council meeting. A motion was made and tabled for continued action on the May 20, 2014 and June 3, 2014 agendas.*

***Heard immediately following the Consent Calendar***

**Continued to June 10, 2014, with Staff to explore streamlining enforcement of regulatory components of the zoning code, determining what actions the City can take in its current capacity with problem facilities, and further researching the cultivation issue.**

## **9. REDEVELOPMENT – SUCCESSOR AGENCY**

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### **9.1 Redevelopment – Successor Agency on Consent Calendar.**

#### **Recommendation:**

(a) **Proposed July – December 2014 Administrative Budget and ROPS 14-15A (ROPS 6).**

Adopt resolutions by the Successor Agency:

- (1) Approving the Administrative Budget for July 1 through December 31, 2014; and

**Successor Agency Resolution No. 7029 adopted.**

- (2) Approving the Recognized Obligation Payment Schedule 14-15A and authorizing payment of expenditures for items on ROPS 14-15A, which details the obligations of the Successor Agency for the period of July 1, 2014 through December 31, 2014.

CEQA: Not a Project, File No. PP10-067(b), Appropriation Ordinance.

(Successor Agency)

**Successor Agency Resolution No. 7030 adopted.**

(b) **Actions Related to the Assignment Agreement for the MLK Library Escrow Account.**

- (1) The Successor Agency approve an Assignment Agreement assigning to the City of San José the Successor Agency's right to meet and confer regarding the expenditure of restricted funds for capital improvements to the Martin Luther King (MLK) Library as provided under the original Development Agreement for the MLK Library and assigning to the City the Escrow Agreement and Joint Trust Fund Agreement associated with the MLK Library Escrow Account; and

- (2) The City Council approve the Assignment Agreement and accept the assignment of the Successor Agency's right to meet and confer regarding the expenditure of restricted funds for capital improvements to the MLK Library as provided under the original Development Agreement for the MLK Library and accept the Escrow Agreement and Joint Trust Fund Agreement associated with the MLK Library Escrow Account.

(Successor Agency)

**Deferred to 6/10/14 per Administration.**

**END OF THE REDEVELOPMENT – SUCCESSOR AGENCY  
ON CONSENT CALENDAR**

## 9. REDEVELOPMENT – SUCCESSOR AGENCY

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### 9.2 Actions Related to the Agreement and General Release and New Lease of Patty’s Inn.

**Recommendation:**

- (a) Approve a Second Amendment to Settlement Agreement and General Release with Kenneth Solis and Bonnie Torrez, doing business as Patty’s Inn (Tenant), to extend the date for Tenant to vacate the property located at 102 South Montgomery Street in San José (Property) and to allow for monthly rent payable by Tenant to be offset against the remaining relocation payment owed to Tenant;
- (b) Approve a five (5) year lease (Lease) with Tenant for the Property with the provision that each party shall have the right to terminate the Lease upon not less than ninety (90) days written notice to the other party.

CEQA: Exempt, CEQA Guideline Section 15301. (Successor Agency)  
 (Deferred from 4/29/14 – Item 9.2 and 5/13/14 – Item 9.1)

**Deferred to 8/5/14 per Administration.**

- **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 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>
10259	East Terminus of Lexington Avenue without Endicott Blvd. and south of Great Oaks Pkwy	2	City Ventures LCC	1 Lot/143 units	MFA/condo
10257	Southeast corner of McKee Road and LA Pala Drive	5	Lisa Lee	7 Lots	SFD

- **Open Forum**

- (1) **Judy Bender expressed concerns regarding food service at the Willows Senior Center.**
- (2) **Jason Tanko, Tanko Lighting, urged the City to rebid its contract with Chevron for the City’s streetlights, expressing that the City has not received a fair bid.**
- (3) **Shelby Brown expressed her problems with procuring independent housing and was referred by the Mayor to the Assistant City Manager.**

- **Adjournment**

**The Council of the City of San José adjourned at 4:53 p.m. in memory of former State Senator John Vasconcellos who passed away on May 24. Senator Vasconcellos distinguishably represented San José in the State Legislature for 38 years. (Mayor)**