



Memorandum

TO: TRANSPORTATION AND
ENVIRONMENT COMMITTEE

FROM: Dolan Beckel

SUBJECT: See Below

DATE: May 12, 2025

Approved

Date:

5/20/2025

SUBJECT: Environmental and Utility Services and Transportation and Aviation Services City Service Areas Performance Modernization Status Report

RECOMMENDATION

Accept the status report on the performance modernization of the Environmental and Utility Services and Transportation and Aviation Services City Service Areas, including mission, outcomes, and strategic goals and community indicators, performance measures, and activity and workload highlights.

BACKGROUND

As part of the City Manager's Foundational Strategic Support Focus Area, *Driving Organizational Performance*, the Administration has been modernizing the City Service Area (CSA) to improve performance management. The two primary drivers of this modernization are:

1. The CSA performance management framework has not been updated in over 15 years, during which dynamic economic, environmental, and social priorities have changed dramatically, requiring a refresh to reflect a contemporary context; and
2. While the City of San José's CSA framework is considered a national best practice, it was initially designed around program and service performance ("how well?" and "how much?") and did not include a mechanism for outcome monitoring ("what impact?"). A high-performing local government must measure program and service performance and community and workforce impact.

The Environmental and Utility Services and Transportation and Aviation Services City Service Areas (CSAs) and the corresponding departmental Core Services underwent a

performance management modernization in Fiscal Year (FY) 2024-2025. This initiative included modernizing the elements of the Environmental and Utility Services and Transportation and Aviation Services City Service Areas structure and the corresponding departmental Core Services performance measures and activity and workload highlights for the Energy Department, Environmental Services Department, Transportation Department, and Airport Department. The CSA modernization also added community indicators into the CSA structure to better measure outcomes that inform the equity, efficiency, and effectiveness of the City's service delivery system and how it impacts the City's community (see Attachment A for a glossary of terms). A full list of measures, definitions, and data for the updated measures will be published in the 2025-2026 Operating Budget.

The performance modernization initiative is a collaboration between the Environmental and Utility Services and Transportation and Aviation Services City Service Areas and departmental and office partners, the City Manager's Office of Administration, Policy, and Intergovernmental Relations, the City Manager's Budget Office, the Office of Racial and Social Equity, and the Information Technology Department.

This Committee item is consistent with the 2024-2025 City Manager's Foundational Strategic Support Focus Area of *Driving Organizational Performance* and is complementary to the City Council Focus Area direction. The ongoing workplan includes recognition that in the spirit of "iterate to improve," key lessons from the initial modernization of each CSA may require the team to revisit previous work and incorporate new opportunities into a previously modernized CSA.

ANALYSIS

The City uses a performance-based budget as required by City Council Policy 1-18. All performance at the Core Service level must be consistent with the mission statements at the CSA and department levels and the outcomes of the CSAs at the City level, meeting the performance, budget goals, and policies established by the Mayor and City Council. Performance measures must establish planned targets, which are the service delivery results expected during the budget year. The CSA performance modernization initiative allows the Administration to report more meaningful measures, targets, and forecasts in the budget.

Through this modernization effort, the number of total measures reported decreased by 3% while community indicators were added, enabling a clearer focus, reduced administrative burden, and a more effective logic model structure. In addition, the qualitative elements of the CSAs were updated, including the mission, outcomes, and strategic goals. During the process, department staff were asked to review and propose

more meaningful measures using the following guidelines for frequency, equity, credibility, scope, and relevancy¹.

The results of the Environmental and Utility Services and Transportation and Aviation Services City Service Areas modernization effort are included in the tables below and include changes to the mission, outcomes, strategic goals, CSA performance measures, Core Service performance measures, and activity and workload highlights. A summary of the tables is:

- Table 1. Environmental and Utility Services CSA Mission, Outcomes, and Strategic Goals;
- Table 2. Environmental and Utility Services CSA Community Indicators and CSA Performance Measures;
- Table 3. Transportation and Aviation Services CSA Mission, Outcomes, and Strategic Goals; and
- Table 4. Transportation and Aviation Services CSA Community Indicators and CSA Performance Measures.

The full set of Environmental and Utility Services and Transportation and Aviation Services City Service Areas performance measures, and activity workload highlights can be found in the Proposed Operating Budget for FY 2025-2026². This includes all Core Service measures for the departmental and office partners that comprise the CSAs and full measure definitions. The community indicators for these City Service Areas are proposed at this time. They will be published separately as part of a Manager's Budget Addenda that will be released by May 30, 2025, and considered by the City Council as part of the approval of the 2025-2026 budget.

¹ Frequency: How often is the measure collected and reported? Does the measure adopt an adequate time horizon for impact? Can the measure be collected reliably over a specific period? Is there a lag between the collection and the reporting time?; Equity: Can the measure be disaggregated by race/ethnicity, geographic location, income, and other categories to measure disparities?; Credibility: Is the measure used by other agencies? Is it peer-reviewed, evidence-based, or part of a standard? Can it be used to benchmark against other cities or jurisdictions across categories that matter to the policy or program? Is the methodology sufficiently accurate and precise?; Scope: Is the measure representative in ways that matter to the population impacted by the policy or program? What perspective and scale does the measure capture, including human, economic, material, environmental, and social? Is the measure strengths-focused and culturally responsive? ; Relevancy: Does that measure align with an organizational or community goal? Is it meaningful to a range of stakeholders? Is it actionable? Is it understandable to all audiences?

² 2025-2026 Proposed Operating Budget [2025-2026 Proposed Operating Budget | City of San José](#)

Table 1. Environmental and Utility Services CSA Mission, Outcomes, and Strategic Goals

Mission: Provide excellent, affordable, and sustainable utility services.			
Outcome 1: Utility Services That Protect Public Health and the Environment.	Outcome 2: Affordable, Effective Utilities with Excellent Customer Care.	Outcome 3: Sustainable Utility Systems That Meet Future Needs.	Outcome 4: Protected, Restored, and Maintained Environment.
Strategic Goal 1.1: Preserve the City's utility infrastructure to optimize service delivery capabilities.	Strategic Goal 2.1: Ensure our utilities are modernized, reliable, and meeting regulatory requirements.	Strategic Goal 3.1: Promote carbon neutrality and climate adaptation.	Strategic Goal 4.1: Maintain clean and safe streetscapes and waterways.
Strategic Goal 1.2: Increase quality of life through sustainable utility modernization.	Strategic Goal 2.2: Enhance responsive utility services aligned with customer expectations.	Strategic Goal 3.2: Promote sustainable solid waste management, energy, and water usage practices.	Strategic Goal 4.2: Protect public health through effective water and solid waste management.

Table 2. Environmental and Utility Services CSA Community Indicators and Performance Measures

Outcome 1: Utility Services That Protect Public Health and the Environment.
Community Indicators: <ul style="list-style-type: none"> • Tap Water Resident Perception. (Environmental Services (ESD)). • Average number of Cooling Degree and Heating Degree Days (Energy). Performance Measures: <ul style="list-style-type: none"> • Operational Utility Assets (ESD, DOT). • Utility Regulatory Report Filing Compliance (Energy, ESD).

Outcome 2: Affordable, Effective Utilities with Excellent Customer Care.

Community Indicators:

- Clean Energy Electricity Service Disconnections (Energy).
- Quality of trash, recycling, and yard waste services (ESD).

Performance Measures:

- Customer Energy Savings (Energy).
- Average Single-Family Dwelling Utility Cost (Energy, ESD).
- Energy Call Center Timeliness (Energy).
- Environmental Program Efforts Perception (ESD).
- Utility Infrastructure Maintenance Perception (ESD).
- Resident Awareness of Stormwater Impact (ESD).
- Recycling Education Perception (ESD).

Outcome 3: Sustainable Utility Systems That Meet Future Needs.

Community Indicators:

- County-Wide Electric Vehicle Adoption (Energy).

Performance Measures:

- South Bay Water Recycled Gallons Delivered (ESD).
- San José Clean Energy Power Mix (Energy).
- Recycled Water Sales (ESD).
- Landfill Waste Diversion (ESD).

Outcome 4: Protected, Restored, and Maintained Environment.

Community Indicators:

- Citywide greenhouse gas (GHG) emissions (Energy)).
- Water Quality in the South Bay. (ESD).
- Average Trash per Resident (ESD).

Performance Measures:

- Sanitary Sewer Overflows (DOT).
- NPDES Discharge Compliance (ESD).
- Potable Water Public Health Regulation Compliance (ESD).
- Recycled Water Public Health Regulation Compliance (ESD).
- Green Stormwater Infrastructure Treatment (ESD).
- Wastewater Discharge Limit (ESD).

Table 3. Transportation and Aviation Services CSA Mission, Outcomes, and Strategic Goals

Mission: To provide the community with safe, secure, and efficient surface and air transportation systems that support San José's livability and economic vitality.		
Outcome 1: Effective and equitable transportation that promote a strong economy.	Outcome 2: Users have a positive, reliable, and efficient experience.	Outcome 3: Safe and secure transportation system that enhances community livability.
Strategic Goal 1.1: Implement planned local and regional transportation system.	Strategic Goal 2.1: Ensure users have a positive transportation experience.	Strategic Goal 3.1: Advance transportation and airport safety.
Strategic Goal 1.2: Center equity when planning for future air service and transportation system needs.	Strategic Goal 2.2: Maintain condition of airport facilities, traffic devices, and pavement.	Strategic Goal 3.2: Preserve and enhance city streetscape.

Table 4. Transportation and Aviation Services CSA Community Indicators and Performance Measures

Outcome 1: Effective and equitable transportation that promote a strong economy.
Community Indicators: <ul style="list-style-type: none"> • Daily vehicle-miles traveled per capita (DOT). • Weekly mode of transportation (DOT). • Annual Airport passengers (Airport). Performance Measures: <ul style="list-style-type: none"> • Bike network completion (DOT). • Grant award rate (DOT). • Households near bikeshare stations (DOT). • Enplaned passenger cost (Airport).

Outcome 2: Users have a positive, reliable, and efficient experience.

Community Indicators:

- Transit travel time (DOT).
- Transportation cost burden (DOT).
- Bay Area air service market share (Airport).

Performance Measures:

- Neighborhood street condition perception (DOT).
- Passenger perception of airport satisfaction (Airport).
- San Jose Airport on-time flights (Airport).
- Street pavement condition (DOT).
- Pavement condition index (DOT).
- Passenger perception of airport cleanliness (Airport).

Outcome 3: Safe and secure transportation system that enhances community livability.

Community Indicators:

- Killed or Seriously Injured (KSI) Rate (DOT).
- Resident perception of Airport operations (Airport).

Performance Measures:

- Resident rating of traffic conditions (DOT).
- Bike lane and path availability perception (DOT).
- Streetscape component condition perception (DOT).

The City Manager's Budget Office works with Departments and Offices to collect and publish data for the performance measures in the Proposed Operating Budget released in May of each year. This allows staff and the City Council to use the modernized CSA state throughout the budget deliberation process to assess resourcing requests in the context of service delivery performance targets and forecasts before the approval of the annual budget.

Collectively, the measures in this memorandum are used to manage the outcomes and performance of the Environmental and Utility Services and Transportation and Aviation Services City Service Areas. As such, the Administration uses them to drive resource and policy decision-making, demonstrate accountability, guide service improvements, share progress and lessons learned, identify models for replication, solicit reflections and ideas, educate stakeholders, and influence change.

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Data for the measures described in this memorandum were brought to the City Council as part of the Proposed Operating Budget for FY 2025-2026.

As part of the Administration's continuing dedication to driving organizational performance, the Administration is exploring ways to be most efficient with existing resources while also seeking to sustain the City's focus on performance management. Opportunities may include a more in-depth focus by the City Manager's Budget Office on performance management.

COORDINATION

This memorandum was coordinated with the City Attorney's Office, the City Manager's Budget Office, the Office of Racial and Social Equity, the Energy Department, the Environmental Services Department, the Transportation Department, and the Airport Department.

/s/

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Chief of Staff for the City Manager

The principal author of this memorandum is Jennifer Piozet, Senior Executive Analyst, City Manager's Office. For questions, please contact jennifer.piozet@sanjoseca.gov.

ATTACHMENT

Attachment A: City Service Area Glossary of Terms