



City Council Meeting MINUTES

Tuesday, June 18, 2019

SAM LICCARDO, MAYOR
CHAPPIE JONES, VICE MAYOR, DISTRICT 1
SERGIO JIMENEZ, DISTRICT 2
RAUL PERALEZ, DISTRICT 3
LAN DIEP, DISTRICT 4
MAGDALENA CARRASCO, DISTRICT 5
DEV DAVIS, DISTRICT 6
MAYA ESPARZA, DISTRICT 7
SYLVIA ARENAS, DISTRICT 8
PAM FOLEY, DISTRICT 9
JOHNNY KHAMIS, DISTRICT 10



MINUTES OF THE CITY COUNCIL

SAN JOSÉ, CALIFORNIA

TUESDAY, JUNE 18, 2019

9:30 a.m.- Closed Session. Cancelled.

By unanimous consent, Council convened into to Regular Session at 1:32 p.m. in the Council Chambers, and Mayor Sam Liccardo called the meeting to order.

Present: Councilmembers - Arenas, Carrasco (2:11 p.m.), Esparza, Davis, Diep, Jimenez, Jones, Khamis, Peralez, Foley; Liccardo.

Absent: Councilmembers - All Present.

• Invocation (District 6)

Rabbi Josh Berkenwald, Congregation Sinai, offered the Invocation.

• Pledge of Allegiance

Mayor Sam Liccardo led the Pledge of Allegiance.

• Orders of the Day

Upon motion by Vice Mayor Chappie Jones, seconded by Councilmember Dev Davis and carried unanimously, the Orders of the Day and the Amended Agenda were approved. (10-0-1. Absent: Carrasco.)

• Closed Session Report - None provided.

1. CEREMONIAL ITEMS

1.1 Mayor Sam Liccardo and Councilmember Raul Peralez presented a Commendation to the Lavelle Family for aiding a family affected by the devastating Paradise wildfire. (Peralez)

1.2 Mayor Sam Liccardo and Councilmember Raul Peralez presented a Commendation to Downtown Streets team for their commitment to assisting the homelessness crisis through beautify projects and transitional assistance. (Peralez)

1.3 Mayor Sam Liccardo and Councilmember Johnny Khamis presented a Commendation to Victory Outreach Church of San José for 40 years of service caring for people who are addicted to drugs or involved in gangs, and for partnering with the Mayor's Gang Prevention Task Force to provide services to at-risk families. (Khamis)

2. CONSENT CALENDAR

Upon motion by Vice Mayor Chappie Jones, seconded by Councilmember Pam Foley, and carried unanimously, the Consent Calendar was approved and the below listed actions were taken as indicated. (10-0-1. Absent: Carrasco.)

2.1 19-480 Approval of City Council Minutes.

- (a) Regular City Council Meeting Minutes of October 23, 2018.
 - (b) Special Council Meeting: Joint City/Santa Clara County Behavioral Health and Affordable Housing of October 23, 2018.
- CEQA: Not a Project, File No. PP17-009, Staff Reports, Assessments, Annual Reports, and Informational Memos that involve no approvals of any City action. (City Clerk)

Action: The City Council Minutes were approved. (10-0-1. Absent: Carrasco.)

2.2 19-507 Final Adoption of Ordinances.

- (a) Ord No. 30276 - An Ordinance of the City of San José Amending Section 3.49.030 of Chapter 3.49 of Title 3 of the San José Municipal Code to Amend the Definition of Compensation for the City of San José, California Defined Contribution Plan for Unit 99 Employees.
- (b) Ord No. 30277 - An Ordinance of the City of San José Amending Chapter 4.80 of Title 4 of the San José Municipal Code to Add New Parts Related to the Establishment of the Inclusionary Fee Fund, the Rental Stabilization Program Fee Fund, the Public Safety and Infrastructure Bond Fund, the Neighborhood Security Act Bond Fund, the Parks and Recreation Bond Projects Fund, and the Branch Libraries Bond Projects Fund.

Action: **Ordinance No. 30276** and **Ordinance No. 30277** were adopted. (10-0-1. Absent: Carrasco.)

2.3 19-481 Approval of Council Committee Minutes.

- (a) Rules and Open Government Committee Minutes of May 15, 2019.
 - (b) Public Safety, Finance & Strategic Support Committee Minutes of May 16, 2019.
- CEQA: Not a Project, File No. PP17-009, Staff Reports, Assessments, Annual Reports, and Informational Memos that involve no approvals of any City action. (City Clerk)

Action: The City Council Committee Minutes were approved. (10-0-1. Absent: Carrasco.)

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 19-482 **Amendment to the Agreement with ICF Jones & Stokes for On-Call Airport Services.**

Approve a First Amendment to the Master Consultant Agreement with ICF Jones & Stokes, Inc. for On-Call Airport strategic planning and financial analysis services, increasing maximum compensation from \$500,000 to \$1,500,000 with no change in the term of the Agreement. CEQA: Not a Project, File No. PP17-003, Agreements/Contracts resulting in no physical changes to the environment. (Airport)

Action: The Amendment to the Agreement with ICF Jones & Stokes was approved. (10-0-1. Absent: Carrasco.)

2.8 19-503 **Fourth Amendment to Agreement with Hanson Bridgett LLP for Legal Services Related to *Preservation of Benefit Plan Retirees Association, et al v. City of San José, et al.***

Adopt a resolution authorizing the City Attorney to negotiate and execute a Fourth Amendment to the agreement with Hanson Bridgett LLP for legal services related to Preservation of Benefit Plan Retirees Association, et al v. City of San José, et al, to increase the compensation by \$200,000, for a total amount not to exceed \$900,000, contingent upon approval of the associated Fiscal Year 2018-2019 budget clean-up action.

CEQA: Not a Project; File No. PP17-003, Agreements/Contracts (New or Amended) resulting in no physical changes to the environment. (City Attorney)

Action: **Resolution No. 79152**, regarding the Fourth Amendment to Agreement with Hanson Bridgett LLP was adopted. (10-0-1. Absent: Carrasco.)

2.9 19-483 **Amendment to the Agreement with Bartel Associates, LLC, for Actuarial Consulting Services Related to Labor Matters.**

Adopt a resolution authorizing the City Manager to negotiate and execute a Fourth Amendment to the Agreement with Bartel Associates, LLC, for actuarial consulting services in connection with labor matters related to various retirement benefits, to extend the term to June 30, 2020, at no additional cost to the City.

CEQA: Not a Project, File No. PP17-003, Agreements/Contracts resulting in no physical changes to the environment. (City Manager)

Action: **Resolution No. 79153**, regarding the Fourth Amendment to Agreement with Bartel Associates, LLC was adopted. (10-0-1. Absent: Carrasco.)

2.10 19-484

Agreement with San José Downtown Association for Services Related to Downtown San José.

Adopt a resolution authorizing the City Manager to:

(a) Negotiate and execute a Services Agreement with the San José Downtown Association to provide marketing, business retention and expansion, event production and promotional services for the period of July 1, 2019 through June 30, 2020 for an amount not to exceed \$768,000;

(b) Negotiate and execute subsequent amendments to the Agreement to revise the scope of services, subject to the appropriation of funds; and

(c) Execute up to five additional one-year options to extend the Agreement through June 30, 2025 to provide ongoing services for an estimated annual cost of \$303,850 in Year 1, \$312,966 in Year 2, \$322,355 in Year 3, \$332,026 in Year 4, and \$341,987 in Year 5, subject to the appropriation of funds.

CEQA: Not a Project, File No. PP17-003, Agreements/Contracts (New or Amended) resulting in no physical changes to the environment.

Action: **Resolution No. 79154**, regarding the Agreement with San José Downtown Association for Services Related to Downtown San José was adopted. (10-0-1. Absent: Carrasco.)

2.11 19-486

Non-Profit Charitable Reuse Agreements with Goodwill of Silicon Valley, Salvation Army and HOPE Services.

Approve charitable reuse agreements with Goodwill of Silicon Valley for \$249,323, the Salvation Army for \$88,109, and HOPE Services for \$4,340, each with a term from July 1, 2019 through June 30, 2020.

CEQA: Not a Project, File No. PP17-003, Agreements/Contracts (New or Amended) resulting in no physical changes to the environment. (Environmental Services)

Action: The Non-Profit Charitable Reuse Agreements with Goodwill of Silicon Valley, Salvation Army and HOPE Services were approved. (10-0-1. Absent: Carrasco.)

2.12 19-487

Agreement with SCS Engineers for Residential Solid Waste Characterization Services.

Approve a Master Agreement with SCS Engineers for waste characterization services for a term from July 1, 2019 through June 30, 2022, in an amount not to exceed \$800,000.

CEQA: Not a Project, File No. PP17-002 Consultant services for design, study, inspection, or other professional services with no commitment to future action. (Environmental Services)

Action: The Agreement with SCS Engineers was approved. (10-0-1. Absent: Carrasco.)

2.13 19-488 Set a Public Hearing for the Fiscal Year 2019-2020 Annual Residential Solid Waste Collection Service Charges.

Adopt a resolution:

- (a) Setting a Public Hearing for Tuesday, August 6, 2019, at 1:30 p.m., or as soon thereafter as the matter may be heard, in the City Council Chambers, to approve the placement of the 2019-2020 Annual Residential Solid Waste Collection Service Charges on the 2019-2020 Santa Clara County Secured Property Tax Roll based upon the annual Residential Solid Waste Collection Service Charge report of the Director of Finance; and
- (b) Direct the City Clerk to publish notice of the filing of the Director's report, and the time and place of the Public Hearing.

CEQA: Not a Project, File No. PP17-010, City Organizational and Administrative Activities. (Finance)

Action: **Resolution No. 79155**, setting a Public Hearing for the Fiscal Year 2019-2020 Annual Residential Solid Waste Collection Service charges was adopted. (10-0-1. Absent: Carrasco.)

2.14 19-489 Set a Public Hearing for the 2019-2020 Sanitary Sewer Service and Use Charge and Storm Sewer Service Charge Assessments.

Adopt a resolution:

- (a) Setting a Public Hearing for Tuesday, August 6, 2019, at 1:30 p.m., or as soon thereafter as the matter may be heard, to approve the placement of the 2019-2020 Annual Sanitary Sewer Service and Use Charge and Storm Sewer Service Charge assessments on the 2019-2020 Santa Clara County Secured Property Tax Roll based upon the annual Sanitary Sewer Service and Use Charge and Storm Sewer Service Charge reports of the Director of Finance;
 - (b) Directing the Director of Finance to file the Fiscal Year 2019-2020 annual Sanitary Sewer Service and Use Charge report with the City Clerk on or before July 15, 2019 instead of July 5, 2019; and
 - (c) Directing the City Clerk to publish notice of the filing of the Director's reports, and the time and place of the Public Hearing.
- CEQA: Not a Project, File No. PP17-010, City Organizational and Administrative Activities. (Finance)

Action: **Resolution No. 79156**, setting a Public Hearing for the 2019-2020 Sanitary Sewer Service and Use Charge and Storm Sewer Service Charge Assessments was adopted. (10-0-1. Absent: Carrasco.)

2.15 19-490 Amendment to the Agreement with Hargis and Associates for Police and Fire Classification Assessments.

Adopt a resolution authorizing the City Manager to negotiate and execute the Fourth Amendment to the Agreement with Hargis and Associates for Police and Fire sworn classifications promotional assessments through June 30, 2019 with no change in the total amount of compensation.

CEQA: Not a Project, File No. PP17-003, Agreements/Contracts (New or Amended) resulting in no physical changes to the environment. (Human Resources)

Action: **Resolution No. 79157**, regarding an Amendment to the Agreement with Hargis and Associates was adopted. (10-0-1. Absent: Carrasco.)

Initiate Proceedings for the Annexation of Snell No. 31.

Adopt a resolution initiating proceedings and setting Tuesday, June 25, 2019 at 1:30 p.m., or soon thereafter as the matter may be heard, for City Council consideration of the reorganization of territory designated as Snell No. 31, which involves the annexation to the City of San José of approximately 30.9 gross acres of land generally bordered by Martial Cottle Park to the north and west, Chynoweth Avenue to the south, and Snell Avenue to the east and the detachment of the same from the appropriate special districts including Central Fire Protection, and Area No. 01 (Library Services) County Service.

CEQA: Determination of Consistency with the Envision San José 2040 General Plan EIR (Resolution No. 76041), Supplemental EIR (Resolution No. 77617), and Addenda thereto. Council District 10. (Planning, Building, and Code Enforcement)

Action: **Resolution No. 79158**, Initiating Proceedings for the Annexation of Snell No. 31 was adopted. (10-0-1. Absent: Carrasco.)

Actions Related to the Agreement with Metropolitan Transportation Commission for Procedural Processing Grants.

Adopt a resolution authorizing the City Manager or designee to negotiate and execute amendments or supplements to the Master Funding Agreement with the Metropolitan Transportation Commission to no more than \$1,000,000 total expenditure by the City of San José for each project, require that the City expenditures have been budgeted and appropriated for the project specified in the supplement and/or amendment, require review and approval with the Risk Manager and City Attorney if a change is made in the insurance or liability related provisions of the Master Funding Agreement, and authorize the City Manager or designee to act as the authorized agent to accept grant funds for City departments and divisions.

CEQA: Not a Project, File No. PP17-003, Agreements/Contracts (New or Amended) resulting in no physical changes to the environment. (Planning, Building and Code Enforcement)

Public Comment: Blair Beekman offered comments on transportation funding.

Action: **Resolution No. 79159**, authorizing actions Related to the Agreement with Metropolitan Transportation Commission for Procedural Processing Grants was adopted. (10-0-1. Absent: Carrasco.)

2.18 19-493 Agreement with Santa Clara Valley Water District for the Thompson Creek Outfall 258 Repair Project.

Approve a Cost-Sharing Agreement with the Santa Clara Valley Water District to compensate Santa Clara Valley Water District for design and construction associated with the repair of a City outfall and an eroded bank along Thompson Creek in an amount not-to-exceed \$410,000.
CEQA: Final Environmental Impact Report for the Multi-Year Stream Maintenance Program (August 2001), (Resolution No. 2001-56) adopted August 21, 2001 by the Santa Clara Valley Water District Board of Directors. Council District 8. (Public Works)

Action: The Agreement with Santa Clara Valley Water District for the Thompson Creek Outfall 258 Repair Project was approved. (10-0-1. Absent: Carrasco.)

2.19 19-494 Contract Change Orders for the 6095 - Alviso Storm Pump Station Project.

Adopt a resolution authorizing the Director of Public Works to negotiate and execute any single and/or multiple change orders for the 6095 - Alviso Storm Pump Station Project in excess of \$100,000, up to the amount of the contingency of \$1,313,042.
CEQA: Mitigated Negative Declaration for the Alviso Storm Pump Station Project, File No. PP15-062. Council District 4 (Public Works)

Action: **Resolution No. 79160**, authorizing actions Related to the Contract Change Orders for the 6095 - Alviso Storm Pump Station Project was adopted. (10-0-1. Absent: Carrasco.)

2.20 19-508 Retroactive Approval of the Meadowfair Dumpster Day Sponsored by Council District 8 as a City Council Sponsored Special Event to Expend City Funds and Accept Donations of Materials and Services for the Event.

As recommended by the Rules and Open Government Committee on June 5, 2019:
(a) Retroactively approve the Meadowfair Dumpster Day scheduled on April 6, 2019 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. (Khamis)

Action: The City Council sponsored Special Event was retroactively approved.

2.21 19-509 Retroactive Approval of the Cadwallader Dumpster Day Sponsored by Council District 8 as a City Council Sponsored Special Event to Expend City Funds and Accept Donations of Materials and Services for the Event.

As recommended by the Rules and Open Government Committee on June 5, 2019:
(a) Retroactively approve the Cadwallader Dumpster Day scheduled on March 30, 2019 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.

Action: The City Council sponsored Special Event was retroactively approved.

2.22 19-565 Approval of PTSD Awareness Month Presentation & Panel Discussion Sponsored by Council District 10 as a City Council Sponsored Special Event to Expend City Funds and Accept Donations of Materials and Services for the Event.

As recommended by the Rules and Open Government Committee on June 12, 2019:

- (a) Approve the PTSD Awareness Month Presentation & Panel Discussion scheduled on June 20, 2019 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.

Action: The City Council sponsored Special Event was approved. (10-0-1. Absent: Carrasco.)

2.23 19-471 AB 1477 (Gloria): Unfair Practices Act.

Adopt a support position on AB 1477 (Gloria) on the Unfair Practices Act.

CEQA: Not a Project, File No. PP17-010, City Organizational & Administrative Activities resulting in no changes to the physical environment. (City Attorney)

Action: A Position of Support for AB 1477 (Gloria): Unfair Practices Act, was adopted. (10-0-1. Absent: Carrasco.)

2.24 19-564 Request for Travel for Mayor and Council.

(a) Authorize travel, accept travel payments to the City of San José, designate Mayor Sam Liccardo as the City representative to attend the Aspen Ideas Festival in Aspen, Colorado from June 26 - 27, 2019, approve use of the Mayor/Council Travel Budget, and excuse absence from the Rules and Open Government Committee Meeting on June 26, 2019. Source of Funds: Aspen Institute and Mayor/Council Travel Budget.

(b) Approve travel for Mayor Sam Liccardo to attend the United States Conference of Mayors' 87th Annual Meeting in Honolulu, Hawaii from June 27 -July 1, 2019, designate him as the City representative, and approve use of the Mayor/Council Travel Budget. Source of Funds: Mayor/Council Travel Budget.

(c) Authorize travel for Councilmember Sergio Jimenez to Newport Beach, CA on June 21-22, 2019 for the League of California Cities Board of Directors Meeting, and approve use of the Mayor/Council Travel Budget. Source of Funds: Mayor and Council Travel Budget and District 2 Funds.

CEQA: Not a Project, File No. PP17-010, City Organizational & Administrative Activities resulting in no changes to the physical environment. (Mayor/Jimenez)

Action: The request for travel was approved. (10-0-1. Absent: Carrasco.)

3. STRATEGIC SUPPORT

3.1 Report of the City Manager, David Sykes (Verbal Report)

City Manager, David Sykes announced the selection of Jim Shannon as the Budget Director of the City of San José.

3.2 Labor Negotiations Update - None provided.

3.3 19-502 Actions Related to Amendments to Agreements for Legal Services Relating to Implementation of the Alternative Pension Reform Settlement Framework.

Adopt a resolution authorizing the City Attorney to negotiate and execute amendments to agreements for legal services relating to implementation of Measure F, the Alternative Pension Reform Settlement Framework approved by the voters at election in November 2016, as follows:

- (a) A seventh amendment to the continuation agreement with Renne Public Law Group, LLP (formerly Renne Sloan Holtzman & Sakai LLP) for legal services in connection with labor relations matters, extending the term through June 30, 2020 and increasing the amount of compensation by \$53,000 for a total amount not to exceed \$1,898,000, contingent upon approval of the associated Fiscal Year 2018-2019 budget clean-up action; and
- (b) A tenth amendment to the agreement with Hanson Bridgett LLP for legal services in connection with the City's retirement plans and other benefit plans and programs, increasing the amount of compensation by \$90,000 for a total amount not to exceed \$555,000, and extending the term through June 30, 2020, contingent upon approval of the associated Fiscal Year 2018-2019 budget clean-up action; and
- (c) A tenth amendment to the agreement with Ice Miller LLP for legal services in connection with retiree health and dental benefits and related tax issues, extending the term through June 30, 2020 with no increase in the amount of compensation.

CEQA: Not a Project; File No. PP17-003, Agreements/Contracts (New or Amended) resulting in no physical changes to the environment. (City Attorney)
Deferred to 6/25/19 per City Attorney

3.4 19-496 Approval of Various Budget Actions for Fiscal Year 2018-2019.

Adopt the 2018-2019 Appropriation Ordinance and Funding Sources Resolution amendments in various funds as detailed in the General Fund and Special/Capital Fund attachments to the memorandum to Council.
CEQA: Not a Project, File No. PP17-004, Government Funding Mechanism or Fiscal Activity with no commitment to a specific project which may result in a potentially significant physical impact on the environment. (City Manager)

Note: Heard Before Consent Calendar

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3.4 (Cont'd.)

Public Comment: Blair Beekman spoke on community outreach and the need for transparency.

Action: Upon motion by Councilmember Johnny Khamis, seconded by Councilmember Dev Davis and carried unanimously 2018-2019 Appropriation Ordinance and Funding Sources Resolution amendments, **Resolution No. 79161** and **Ordinance No. 30285** were adopted. (10-0-1. Absent: Carrasco.)

3.5 19-497 **Adoption of the Annual Appropriation Ordinance and Annual Funding Sources Resolution for the Fiscal Year 2019-2020 Budget, and Resolution Establishing the Fiscal Year 2019-2020 Appropriation Limit.**

(a) Adopt the Annual Appropriation Ordinance, including transfers and loans for Fiscal Year 2019-2020 and the Manager's Final Budget Addendum.

(b) Adopt the Annual Funding Sources Resolution for Fiscal Year 2019-2020 and the Manager's Final Budget Addendum.

(c) Adopt a resolution taking the following actions with respect to the City's 2019-2020 "Gann Limit":

(1) Elect the per capita income index as the inflation factor for 2019-2020 on a provisional basis, with the option to adjust the Limit, if necessary, once the non-residential assessment data is available from the County Assessor;

(2) Elect the County of Santa Clara population growth index as the population factor for 2019-2020; and

(3) Establish the Fiscal Year 2019-2020 Appropriation Limit at \$1,200,841,972 in compliance with Article XIII B of the State Constitution.

CEQA: Not a Project, File No. PP17-004, Government Funding Mechanism or Fiscal Activity with no commitment to a specific project which may result in a potentially significant physical impact on the environment. (City Manager)

Note: Heard Before Consent Calendar

Action: Upon motion by Vice Mayor Chappie Jones, seconded by Councilmember Pam Foley and carried unanimously Annual Appropriation Ordinance and Annual Funding Sources Resolution for the Fiscal Year 2019-2020 Budget, **Ordinance No. 30286** and **Resolution No. 79162** were adopted, and **Resolution No. 79163**, Establishing the Fiscal Year 2019-2020 Appropriation Limit, was adopted. (10-0-1. Absent: Carrasco.)

3.6 19-498 **Report on Request for Proposal for the Worker's Compensation Comprehensive Services.**

(a) Accept the Report on the Request for Proposal for the Worker's Compensation Comprehensive Services.

(b) Adopt a resolution authorizing the City Manager to negotiate and execute an Agreement with Intercare Holdings Services, Inc. to provide comprehensive Workers' Compensation services including claims administration services, bill review/preferred provider organization networks, utilization review, medical case management, Medical

(Item Continued on the Next Page)

3.6 (Cont'd.)

Provider Network, pharmacy benefits management and Medicare Set-Aside/Secondary Payer Reporting, with a term beginning July 1, 2019 through June 30, 2022. The total compensation amount for the three-year agreement shall not exceed \$15,963,931 based on an estimated caseload of 2,330 - 2,850 claims, and subject to annual appropriation of funds.

CEQA: Not a Project, File No. PP17-003, Agreements/Contracts (New or Amended) resulting in no physical changes to the environment. (Human Resources)

Action: Upon motion by Councilmember Sergio Jimenez, seconded by Councilmember Maya Esparza and carried unanimously the report was accepted, and **Resolution No. 79164**, regarding an Agreement with Intercare Holdings Services, Inc., was adopted. (10-0-1. Absent: Carrasco.)

Councilmember Magdalena Carrasco arrived at 2:11 p.m.

3.7 19-495 **Amendment to Title 14 and Title 27 of the San José Municipal Code for Public Works Municipal Code Revisions. - DEFERRED**

(a) Approve an ordinance amending the San José Municipal Code as follows:

(1) Add a new Title 27, titled “Procurement and Administration of Public Works,” that incorporates recent City Charter changes modernizing the construction contract procurement process, makes changes conforming the Code to current City practices, and otherwise updates, streamlines, clarifies and modernizes requirements for the procurement and administration of public works projects;

(2) Repeal Chapters 14.04, titled “Public Works,” 14.06, titled “Dispute Avoidance and Dispute Resolution Policy,” and 14.07, titled “Design-Build Contracts,” of Title 14, all of which are replaced by the new Title 27;

(3) Repeal Chapter 14.08 of Title 14, titled “Encumbrance of Funds for Construction Contracts,” which is outdated and no longer needed;

(4) Amend Sections 4.12.055, titled “Services,” of Chapter 4.12 of Title 4 to reflect recent City Charter changes clarifying that maintenance services can include repairs, construction, erection, improvement or demolition incidental to such maintenance;

(5) Amend Chapter 4.84, entitled “Insurance Requirements for Certain Public Works Contracts and Use or Occupancy of City-Owner Real Property,” of Title 4 to eliminate outdated insurance requirements and to allow the Risk Manager to set such requirements; and

(a) (6) Amend Section 2.04.1420 of Chapter 2.04 of Title 2, Section 4.08.030 of Chapter 4.08 of Title 4, Section 5.06.390 of Chapter 5.06 of Title 5, Section 11.08.010 of Chapter 11.08 of Title 11, Section 15.26.120 of Chapter 15.26 of Title 15, and Section 19.32.120 of Chapter 19.32 of Title 19 to change references from Chapter 14.04 to Title 27.

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3.7 (Cont'd.)

(b) Adopt a resolution repealing the following resolutions, all of which address policies incorporated into the new Title 27:

(1) Resolution No. 71816, which sets forth the City's prequalification policy;

(2) Resolution No. 71319, which sets forth the City's contingency policy; and

(3) Resolution Nos. 72943, 75230 and 73532, which address the authority of the Director of Public Works to award and execute certain public works contracts for \$1,000,000 or less and establish the contingency for such contracts.

(c) Adopt a resolution amending Council Policy No. 1-18, entitled "Operating Budget and Capital Improvement Program Policy," to change sections 1.i and 1.j under the Capital Improvement Program portion of the Policy to refer to the appropriate new sections of Title 27. CEQA: Not a Project, File No. PP17-008, General Procedure & Policy Making resulting in no changes to the physical environment. (Public Works)

Deferred to 8/13/19 per Administration

3.8 19-557 **Community Oversight Committee for Measure T - Disaster Preparedness, Public Safety, and Infrastructure Bond Measure.**

Adopt a resolution establishing the size, composition, and specific responsibilities of the Community Oversight Committee for the Measure T Disaster Preparedness, Public Safety, and Infrastructure Bond Measure ballot measure approved by the voters on November 6, 2018.

CEQA: Not a Project, File No. PP17-010, City Organizational & Administrative Activities resulting in no changes to the physical environment. (Public Works)

[Deferred from 6/11/19 - Item 2.13 (19-438)]

Director of Public Works, Matt Cano responded to questions regarding Measure T.

Public Comment: Blair Beekman spoke on Measure T and melding technology.

Motion: Councilmember Johnny Khamis moved approval, including Mayor Sam Liccardo's memorandum dated June 14, 2018 with additional direction as outlined below in "Action". Councilmember Maya Esparza seconded the motion.

Action: On a call for the question, the motion carried unanimously, and **Resolution No. 79165** was adopted, with changes to reflect Mayor Sam Liccardo's memorandum dated June 14, 2018, amending the staff recommendation to identify four at-large seats appointed by the Mayor, representing each of the following categories of stakeholders: public safety, environmental, labor, and business. Each representative shall live and/or work in San Jose, and additionally to include someone in the chosen at-large that has a finance/accounting background. (11-0.)

3.9 19-561 City Attorney Salary Setting.

As recommended by the Rules and Open Government Committee on June 12, 2019, adjust the salary for the City Attorney to better align with other jurisdictions' chief counsels, to a base pensionable salary of \$285,000, plus the existing non-pensionable 5%.

CEQA: Not a Project, File No. PP17-010, City Organizational & Administrative Activities resulting in no changes to the physical environment. (Mayor) [Rules Committee referral 6/12/19 - Item G.4]

Action: Upon motion by Councilmember Pam Foley, seconded by Vice Mayor Chappie Jones and carried unanimously **Resolution No. 79166**, providing adjustments to the City Attorney's Salary, was adopted. (11-0.)

4. COMMUNITY & ECONOMIC DEVELOPMENT

4.1 19-499 Actions Related to the Adobe Systems, Inc. Property Located on West San Fernando Street.

(a) Adopt resolution:

(1) Conditionally authorizing a permit for a major encroachment (Encroachment Permit) to Adobe Systems Incorporated (Adobe) to allow Adobe to construct, maintain, repair, reconstruct, occupy and use a pedestrian bridge within and above West San Fernando Street pursuant to San José Municipal Code Chapter 13.37;

(2) Directing the Director of Public Works to execute a form of encroachment agreement between the City of San José and Adobe, after satisfaction of the conditions, and record a certified copy of the Encroachment Permit on Adobe's property with the Office of the Recorder for the County of Santa Clara;

(b) Adopt a resolution:

(1) Declaring 5,200 square feet of property adjacent to West San Fernando Street, surplus to the needs of the City;

(2) Authorizing the City Manager or his designee to negotiate and execute the Purchase and Sale Agreement between the City of San José and Adobe in an amount not-to-exceed of \$100,000 for the purchase by Adobe of approximately 5,200 square feet of property adjacent to West San Fernando Street and all other documents necessary to complete the transaction;

(3) Authorizing the City Manager or his designee to negotiate and execute a Parking Agreement with Adobe Inc. for the public use of parking at the North Tower; and

(4) Authorizing the City Manager or his designee to negotiate and execute an amendment to the South Tower Parking Agreement.

CEQA: Addendum to the Downtown Strategy 2000 Final Environmental Impact Report (EIR) (Resolution No. 72767) and addenda thereto, Downtown Strategy 2040 Final Environmental Impact Report (EIR) (Resolution No. 78942), and Envision San José 2040 General Plan Final Environmental Impact Report (EIR) (Resolution No. 76041), and Envision San José 2040 General Plan Supplemental EIR (Resolution No. 77617) and addenda thereto. Council District 3. (Economic Development/Public Works)

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4.1 (Cont'd.)

Economic Development Assistant Director, Nanci Klein provided a presentation.

Public Comments: Matthew Quevedo, representing SVLG expressed support to the project, and Justina Hyland, representing Adobe Systems, offered an artist's rendering of the proposed project. Blair Beekman indicated concerns regarding the project's visual appeal.

Motion: Councilmember Raul Peralez moved approval of staffs' recommendations, including direction to staff as outlined in his memorandum dated June 14, 2019. Councilmember Dev Davis seconded the motion.

Action: On a call for the question, the motion carried unanimously, and **Resolution No. 79167** and **Resolution No. 79168** regarding Actions Related to the Adobe Systems, Inc. Property Located on West San Fernando Street were adopted, including Councilmember Raul Peralez memorandum dated June 14, 2019 approving staff recommendations and directing staff to work with the applicant to explore integrating an artistic component into the future pedestrian bridge. (11-0.)

5. NEIGHBORHOOD SERVICES

6. TRANSPORTATION & AVIATION SERVICES

7. ENVIRONMENTAL & UTILITY SERVICES

7.1 19-500 Actions Related to Current and Future Recycle Plus Residential Solid Waste Agreements.

(a) Approve the Second Amendment to the Agreement between the City of San José and California Waste Solutions for Recycle Plus Services to make program changes and to establish performance standards that:

(1) If fully satisfied, will require the City to enter into a new agreement with California Waste Solutions through June 30, 2036 for Recycle Plus Services for single-family recyclables collection & processing in Service Districts A & C; and

(2) If not fully satisfied, would cause staff to not extend California Waste Solutions' contract through 2036, and staff would initiate a Request for Proposals process to award a contract for single-family recyclables collection & processing in Service Districts A & C, with substantially the same framework as future services in Service District B.

(b) Approve the Second Amendment to the Agreement between the City of San José and GreenWaste Recovery for Recycle Plus Services to implement the Modified Living Wage effective July 1, 2019, in accordance with Council's direction on January 15, 2019.

(c) Adopt a resolution authorizing the City Manager to:

(Item Continued on the Next Page)

7.1 (Cont'd.)

(c) (1) Negotiate and execute an agreement through June 30, 2036 with California Waste Solutions, in accordance with the term sheets presented to Council, for single-family dwelling recycling collection and processing in Districts A and C if California Waste Solutions fully satisfies the performance standards as specified in the Second Amendment. If California Waste Solutions does not fully satisfy the performance standards as specified in the Second Amendment by June 30, 2020, the City Manager is authorized to:

(i) Initiate a Request for Proposals to award a contract through June 30, 2036 for single-family recyclables collection & processing in Service Districts A & C, with substantially the same framework as future services in Service District B; and

(ii) Exercise the Option Term in the Second Amendment to extend the California Waste Solutions contract to December 31, 2021, if necessary.

(2) Negotiate and execute an agreement through June 30, 2036 with Garden City Sanitation, Inc., in accordance with the term sheets presented to Council, for single-family dwelling garbage collection in Districts A and C.

(3) Negotiate and execute an agreement through June 30, 2036 with GreenTeam of San José, in accordance with the term sheets presented to Council, for collection of garbage and collection and processing of recyclables for multi-family dwellings citywide, single-family dwellings in District B, and City Facilities.

(c) (4) Negotiate and execute an agreement through June 30, 2036 with GreenWaste Recovery, in accordance with the term sheets presented to Council, for citywide residential yard trimmings and street sweeping collection and processing, and backend processing of municipal solid waste.

CEQA: Determination of Consistency with the Envision San José 2040 General Plan Final Program Environmental Impact Report (EIR) (Resolution No. 76041), Envision San José 2040 General Plan Supplemental EIR (Resolution No. 77617), and Addenda thereto. File No. PP19-037. (Environmental Services)

Councilmember Pam Foley requested a bifurcation of Items (a)(1), (a)(2) and (c)(2), so she may recuse herself from these items, as her campaign consultant is also a consultant for California Waste Systems.

Action: Upon motion by Councilmember Sergio Jimenez, seconded by Councilmember Maya Esparza and carried unanimously, Items (a)(1), (a)(2) and (c)(2) were passed unanimously, and **Resolution No. 79169**, to negotiate and execute an agreement through June 30, 2036 with California Waste Solutions was adopted. (10-0-0-1. Abstain: Foley.)

Action: Upon motion by Vice Mayor Chappie Jones, seconded by Councilmember Maya Esparza and carried unanimously, the Second Amendment to the Agreement between the City of San José and GreenWaste Recovery for Recycle Plus Services was approved. (11-0.)

7.2 19-485 Construction Contract Change Order with San José Water Company for the 8687 - Repairs of Water Services and Mains: 2017 Project.

Approve the Construction Contract Change Order for the 8687 - Repairs of Water Services and Mains: 2017 project between the City of San José and San José Water Company to increase the amount of maximum compensation by \$1,200,000 for a total maximum contract amount of \$3,895,678, with no other changes to the contract.
CEQA: Categorically Exempt, File No. PP17-050, CEQA Guidelines Section 15301, Existing Facilities and Section 15302 Replacement or Reconstruction. (Environmental Services)

Action: Upon motion by Councilmember Maya Esparza, seconded by Vice Mayor Chappie Jones and carried unanimously, the Construction Contract Change Order was approved. (11-0.)

8. PUBLIC SAFETY

8.1 19-501 Measure T - New Fire Station Placement Prioritization.

Accept the Fire Department's fire station relocation and new fire station placement prioritization list.

(a) Priority 1: City Area - Willow Glen (New). Proposed Station Number 37.

(b) Priority 2: City Area - Downtown East (Relocation). Proposed Station Number 8.

(c) Priority 3: City Area - Santee (New). Proposed Station Number 32.

(d) Priority 4: City Area - Vinci/Berryessa (Relocation). Proposed Station Number 23.

(e) Priority 5: City Area - Ramblewood/Sylvandale (New). Proposed Station 36.

CEQA: Not a Project, File No. PP17-009, Staff Reports, Assessments, Annual Reports, and Informational Memos that involve no approvals of any City action. (Fire)

Assistant Fire Chief Robert Sapien, Jr. provided a presentation.

Motion: Councilmember Raul Peralez moved approval of the new fire station placement prioritization, including the memorandum he cosigned with Mayor Sam Liccardo and Councilmember Magdalena Carrasco. Councilmember Sylvia Arenas seconded the motion.

Action: On a call for the question, the motion carried unanimously, and the new fire station placement prioritization was approved, including the joint memorandum from Mayor Sam Liccardo and Councilmembers Peralez and Carrasco, dated June 14, 2019, to:

Accept the Fire Department's fire station relocation and new fire station placement prioritization list, and direct the City Manager to:

1. Assess benefit of and explore opportunity to add Measure T funding for expanding stations that are either existing or currently planned for construction-e.g., Station 20 (airport) or Station 8 - with the addition of dormitory space and second bays to address existing and anticipated critical gaps in coverage in adjoining coverage areas.
 2. Explore opportunities for funding energy storage, generation, and micro-grid infrastructure at each fire station to build resilience into these critical facilities, and report back to Council for further direction if these efforts appear infeasible.
- (11-0.)

9. REDEVELOPMENT – SUCCESSOR AGENCY

10. LAND USE

10.1 Land Use on Consent Calendar

No Land Use items on Consent Calendar.

10 Land Use - Regular Agenda – None.

- **Open Forum**

Blair Beekman discussed public oversight and the use of the San Jose Automated License Plate Reader Systems (ALPR).

- **Adjournment**

Mayor Sam Liccardo adjourned the Meeting of the Council of the City of San José at 2:52 p.m.

Minutes Recorded, Prepared and Respectfully Submitted by,

draft

Toni J. Taber, CMC
City Clerk

rmk/06-18-19 MIN