



Memorandum

TO: TRANSPORTATION AND
ENVIRONMENT COMMITTEE

FROM: Manuel Pineda

SUBJECT: See Below

DATE: 9/16/2025

Approved

Date

9/24/2025

SUBJECT: City Infrastructure Strategy Semi-Annual Status Report

RECOMMENDATION

Accept the semi-annual status report on the City Infrastructure Strategy, including progress on quarterly Key Results, project highlights, and any updates on key workstreams.

OUTCOME

Staff will provide an update on the City Infrastructure Strategy workstreams, the results of the previous Quarter's commitments (July - September 2025), and committed deliverables for the current Quarter (October - December 2025). The Committee will provide feedback to staff on their update.

BACKGROUND

For Fiscal Year 2025–2026, the City developed an updated slate of City Infrastructure Workstreams. The City Infrastructure Strategy is a focused framework to concentrate attention and resources on priority initiatives. Workstreams selected under this strategy are typically transformational in nature, require significant cross-departmental coordination, involve new or complex project types, or necessitate close collaboration with external partners. While departments continue to advance many projects through their individual workplans, the Infrastructure Strategy highlights a select portfolio of efforts that warrant elevated visibility and support.

The updated portfolio reflects several shifts. The Climate Smart workstream graduated from the strategy and was embedded within other workstreams. The Municipal Electric Utility workstream was removed as this effort was paused while the City pivoted to

closer collaboration with PG&E. Similarly, Citywide Building Electrification was retired from the portfolio, as that work was incorporated into the Energy Department's operational programs.

This updated City Infrastructure Strategy is shown in Figure 1 below.

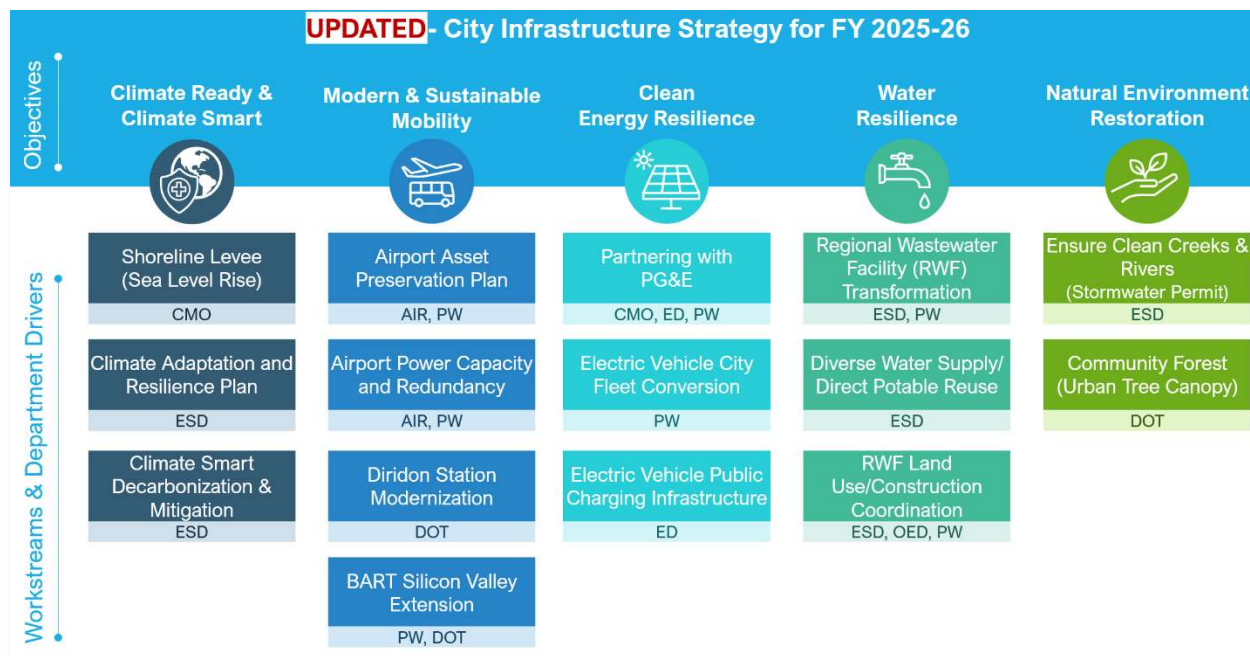


Figure 1: City Infrastructure Strategy for Fiscal Year 2025-2026

This refreshed Infrastructure Strategy positions the City of San José to address current and future infrastructure challenges more effectively, emphasizing resilience, sustainability, and innovation. The Analysis section below describes the City's achievement status of our Q1 Key Results.

ANALYSIS

As a reminder, each workstream is led by workstream drivers who are empowered to define clear and specific Key Results that align with the delivery of each workstream. These Key Results should be measurable, attainable, relevant, and time-bound to a quarterly delivery cycle. Workstream drivers are individuals or teams with the necessary expertise and authority to execute the initiatives and projects related to the objectives.

Each quarter, the workstream drivers and their respective departments develop their committed Key Results for each initiative within the City Infrastructure Strategy. At the end of the quarter, we evaluate each workstream on completing their planned Key Results and assign an overall rating of Green, Yellow, or Red. Green means the

workstream is solidly on track with no course corrections required, Yellow means the workstream is largely on track but requires minor course correction or problem-solving, and Red means the workstream is off track or has experienced a significant shift in work during the last quarter.¹ Staff uses these scores as part of execution as learning and use these ratings to identify where teams need additional support or a change in direction to be successful.

The image below illustrates the color-coded Red, Yellow, and Green status across the 15 workstreams. In the first Quarter of FY 2025-2026, seven workstreams finished Green (47%), eight were Yellow (53%), and zero were Red (0%).²

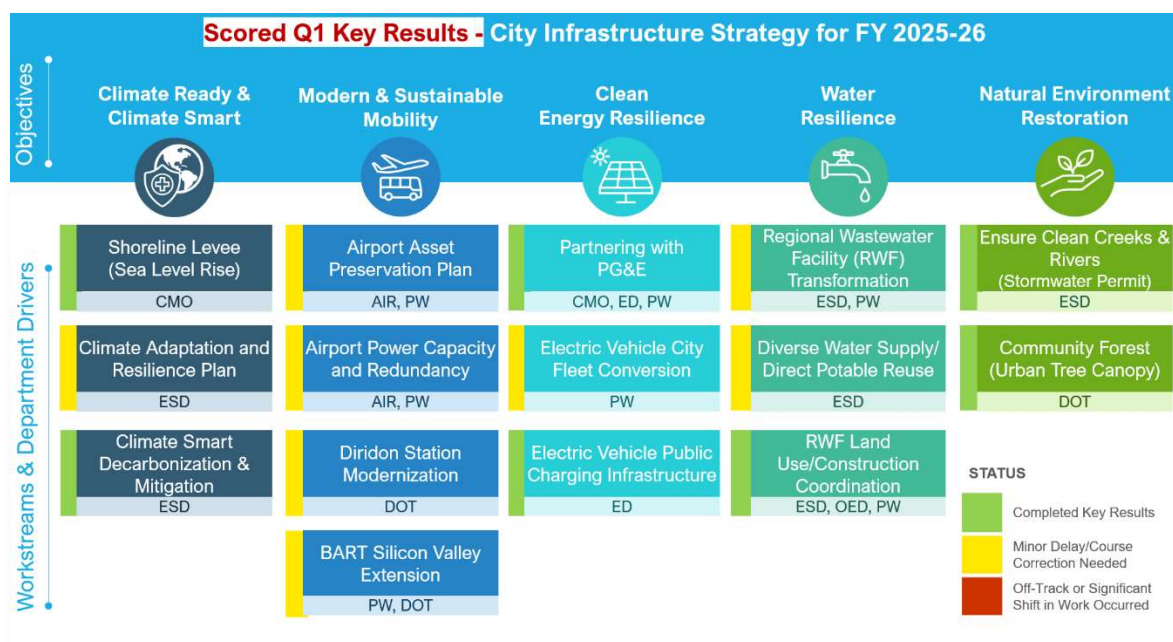


Figure 2: Q1 Key Result Completion Status for City Infrastructure Strategy Workstreams (July through September 2025)

Highlighting a Few City Infrastructure Workstream Results

We want to discuss in detail a few key workstreams in the City Infrastructure Strategy to highlight progress made to date.

- **Partnering with PG&E:** In partnership with PG&E, the City is advancing initiatives to support electrification, streamline permitting, and enhance energy

¹ Each Key Result is individually scored as Red, Yellow, or Green and then given a score of 0, 1, or 2, respectively. The Average of the Key Results across a work stream are scored as Red if the average is less than 1, Yellow if the average is 1 or greater, and Green if the average is 1.6 or greater.

² If we dig down one level deeper to the Key Result level, there were 56 Key Results across the 19 workstreams. Of these 56 Key Results, teams completed 41 (80%), partially completed another 12 (24%), and did not complete 3 (6%).

infrastructure. Since our last update, Staff worked with PG&E to pilot and expand a shared permit status dashboard and completed the execution and public release of the City of San José–PG&E Implementation Agreement. A shared database was developed to track large-load customers and monitor PG&E's performance obligations. Internally, the City launched a Data Center Development Team to coordinate work across departments. Lastly, staff closed the RFQ process for the 159 acres of Economic Development lands at the Regional Wastewater Facility and has completed the selection process.

- **Diridon Station Modernization:** The Diridon Station Program realized a major milestone at the end of fiscal year 2024/25 with the acceptance of a specific configuration for the station and program of inter-related projects. This quarter, the team hired consultants to begin the state and federal environmental review process and advertised a Project Director role for the Diridon Station Program.
- **Electric Vehicle Public Charging Infrastructure:** The City continues to move forward with developing and incentivizing public charging infrastructure. This quarter staff finalized site selection and achieved 60% progress on San José Clean Energy's Direct Current Fast Charging Hub Pilot contract negotiation, which will establish affordable and reliable fast charging hubs at six City-owned properties. Staff also reached out to all awardees of the CEC REACH 3.0 grant to inform them of incentive stacking through San José Clean Energy's Multifamily EV Charger Incentive Program, which has a fiscal year goal of installing 240 ports at 20 properties. Staff also reached out to industry groups to inform future charging programs as part of the 5-year refresh of the San José Clean Energy Programs Roadmap.

The completion status for all the individual Key Results, from the prior quarter, within each workstream, is detailed in Appendix A.

The in-progress Key Results are detailed in Appendix B.

CONCLUSION

Staff continues to make progress on the 15 Workstreams in the City Infrastructure Strategy. Staff will return to the Transportation & Environment Committee in Spring 2026 to provide our next update.

COORDINATION

This memo has been coordinated with the Planning, Building, and Code Enforcement Department, Environmental Services Department, Department of Public Works, Airport Department, Energy Department, Department of Transportation, the City Attorney's Office, the City Manager's Budget Office, and Office of Emergency Management.

/s/

Manuel Pineda
Deputy City Manager,
City Manager's Office

For questions, please contact Manuel Pineda, Deputy City Manager, at manuel.pineda@sanjoseca.gov.

ATTACHMENTS

Appendix A – City Infrastructure Objectives and Key Results Q1 Scored (July through September 2025)

Appendix B – City Infrastructure Objectives and Key Results Q2 In Progress (October through December 2025)

Appendix A – City Infrastructure Objectives and Key Results Q1 Scored (July through September 2025)

City Infrastructure Objectives	Work Stream (Dept Director/ Driver)	Q1 Key Results (July - Sept)	Q1 Scored
Climate Ready + Climate Smart	Shoreline Levee (Sea Level Rise) Kevin Ice/Jennifer Brown	1. Hold kickoff meeting for design work on the Reach 4-5 alignment. 2. Determine RWF-internal desired design mitigations for the continued operation of the outfall channel in the new (old) alignment.	1. Complete 2. Complete
	Climate Adaptation and Resilience Plan Michael Gonzales	1. Complete and release public review draft of Climate Adaptation and Resilience Plan 2. Host 2nd stakeholder workshop	1. Complete 2. In Process (scheduled for Oct. 14, 2025)
	Climate Smart (Mitigation & Decarbonization) Julie Benabente	1. Complete final draft of Climate Smart plan update 2. Present final plan update to Climate Advisory and Youth Commissions 3. Complete Transportation & Environment Committee memorandum	1. Complete 2. Complete 3. Complete
Modern & Sustainable Mobility	Airport Asset Preservation Plan Fai Ali	1. Continue feasibility of Phase 2 of the Asset Preservation Plan which will include exploring investment opportunities to enhance operational performance of systems infrastructure. 2. Assess existing southeast hangars in an effort to upgrade structure and infrastructure for efficient operational use. SJC to utilize consultant for evaluation. 3. Assess existing west side T-hangars for feasibility of investment to improve condition and future resiliency.	1. In Process 2. Not started 3. In process
	Airport Power Capacity Enhancement and Redundancy Fai Ali	1. SJC will work with PG&E to identify power load needs and how PG&E can support the demand. SJC is also working with PG&E on redundancy. 2 Conduct Airport Energy Analysis (benchmark energy usage using available data, identify peak load profiles and energy saving opportunities, evaluate feasibility of submetering currently unmetered areas (e.g., baggage handling and concessions).	1. Complete 2. In process

City Infrastructure Objectives	Work Stream (Dept Director/ Driver)	Q1 Key Results (July - Sept)	Q1 Scored
	Diridon Station Modernization Jessica Zenk	1. Determine viable options for CEQA Streamlining 2. Hire and introduce environmental consultants to Steering Committee 3. Advertise Project Director role for Diridon Station Program	1. In process 2. Hiring complete; introduction postponed 3. Complete
	BART Silicon Valley Extention Jessica Zenk/J. Guevara	1. Implement Construction Package 2, Construction Transportation Management Plan (CTMP) 1 at Newhall Yard 2. Develop Construction Package 2, Construction Transportation Management Plan (CTMP) 2 at Diridon/Downtown Stations 3. Coordinate multi-department reviews of VTA design packages and maintain 30-working days on-time reviews 4. Coordinate Right-of-Way Management and Tunnel Adjacent Development Guidelines with VTA 5. Advance permitting for utility relocation projects	1. Complete 2. Postponed (by VTA) 3. Complete 4. In process 5. Complete
Clean Energy Resilience	Partnership with PG&E Erica Garaffo/J.Guevara/Kate Ziemba	1. Advance Shared Permit Status Dashboard and Annual Permit expansion pilot with PG&E 2. Execute and publicize City of San Jose- PG&E Implementation Agreement 3. Develop shared Large-Load Customers database for tracking PG&E performance obligations. 4. Launch Data Center Development Team (internal working group) 5. Close RFQ for RWF 159 Acres Economic Dev Lands	1. In process 2. Complete 3. Complete 4. Complete 5. Complete

City Infrastructure Objectives	Work Stream (Dept Director/ Driver)	Q1 Key Results (July - Sept)	Q1 Scored
	Electric Vehicle City Fleet Conversion Walter Lin	1. Coordinate final fleet electrification master plan with PG&E Clean Energy Transportation team for additional engineering / planning design work 2. Provide justification details for EV infrastructure needs and required budget for potential CY 2026 general obligation bond ballot measure 3. Finalize brand name sole source for EV charging management system	1. In Progress 2. In Progress 3. In Progress
	Electric Vehicle Public Charging Infrastructure Kate Ziemba	1. Finalize site selection and achieve 60% progress on DCFC Hub Pilot contract negotiation 2. Reach out to all awardees of the CEC REACH 3.0 grant to inform them of incentive stacking through the Multifamily EV Charger Incentive Program 3. Reach out to industry groups to inform future charging programs as part of the 5 year refresh of the SJCE Programs Roadmap	1. Complete 2. Complete 3. Complete
Water Resilience	Regional Wastewater Facility (RWF) Transformation Kapil Verma	1. Present Plant Master Plan Technical Update to TPAC in September 2. Complete selection of design-builder for Additional Digester Facility Upgrades Project to award in December	1. Incomplete 2. Complete
	Diverse Water Supply/ Direct Potable Reuse Eric Dunlavey	1. Execute Option Agreement to amended Ground Lease with Valley Water to enable a Direct Potable Reuse Demonstration Facility. 2. Develop Exclusive Negotiation Agreement with Valley Water to preserve RWF land for a future full scale potable reuse facility.	1. Complete 2. In Progress

City Infrastructure Objectives	Work Stream (Dept Director/ Driver)	Q1 Key Results (July - Sept)	Q1 Scored
	RWF Land Use & Construction Coordination Jennifer Voccola-Brown/Kevin Ice	1. Develop a list of internal stakeholders 2. Develop and set a reoccurring stakeholder meeting schedule	1. Complete 2. Complete
Natural Environment Restoration	Ensure Clean Creeks & Rivers (Stormwater Permit) Rajani Nair	1. Provide 6 month Direct Discharge progress update to Water Board (Jan '25) 2. Finalize MOA with Valley Water for in channel creek clean up	1. Complete 2. Complete
	Community Forest (Urban Tree Canopy) Sara Davis	1. 200 trees planted 2. Solidify work plan with Cal Fire (and work ESD on potential areas)	1. Complete 2. In progress

Appendix B – City Infrastructure Objectives and Key Results Q2 In Progress (October through December 2025)

City Infrastructure Objectives	Work Stream (Dept Director/ Driver)	Q2 Key Results (Oct - Dec)
Climate Ready + Climate Smart	Shoreline Levee (Sea Level Rise) Kevin Ice/Jennifer Brown	<ol style="list-style-type: none"> 1. Provide USACE design parameters for outfall channel (e.g.s flow and level impacts) 2. Establish a timeline with Valley Water for transaction negotiations.
	Climate Adaptation and Resilience Plan Michael Gonzales	<ol style="list-style-type: none"> 1. Host 2nd stakeholder workshop 2. Complete updated/ final draft of Climate Adaptation and Resilience Plan
	Climate Smart (Mitigation & Decarbonization) Julie Benabente	<ol style="list-style-type: none"> 1. Present the updated Climate Smart plan to City Council for approval 2. Complete the 2024 communitywide greenhouse gas inventory
Modern & Sustainable Mobility	Airport Asset Preservation Plan Fai Ali	<ol style="list-style-type: none"> 1. Issue RFP for consultant services for Phase 2 of the Asset Preservation Plan which will identify enhanced operational performance of systems infrastructure. 2. Assess existing southeast hangars in an effort to upgrade structure and infrastructure for efficient operational use. SJC to utilize consultant for evaluation. 3. Compile and finalize the T-hangar status report with a list of deficiencies and a plan of action to address the deficiencies.

City Infrastructure Objectives	Work Stream (Dept Director/ Driver)	Q2 Key Results (Oct - Dec)
	Airport Power Capacity Enhancement and Redundancy Fai Ali	1. Assess opportunities for on-site power generation to support existing loads including PV arrays on existing facilities and spaces, and possibility of battery storage. 2. Publish RFQ for developer/operator for on-site generation and battery storage systems. 3. Conduct Airport Energy Analysis (benchmark energy usage using available data, identify peak load profiles and energy saving opportunities, evaluate feasibility of submetering currently unmetered areas (e.g., baggage handling and concessions).
	Diridon Station Modernization Jessica Zenk	1. Introduce environmental consultants & schedule to Steering Committee 2. Launch Access Study for neighborhoods near planned grade separation projects. 3. Hire Project Director role for Diridon Station Program
	BART Silicon Valley Extention Jessica Zenk/J. Guevara	1. Implement Construction Package 2, Construction Transportation Management Plan (CTMP) 1 at Newhall Yard 2. Refine design for Downtown Station given cost saving efforts 3. Coordinate multi-department reviews of VTA design packages and maintain 30-working days on-time reviews 4. Coordinate Right-of-Way Management and Tunnel Adjacent Development Guidelines with VTA 5. Advance permitting for utility relocation projects
Clean Energy Resilience	Partnership with PG&E Erica Garaffo/J.Guevara/Kate Ziemba	1. Score PG&E's performance on Q3 2025 Key Results 2. 10% of active data center projects advance at least one development stage per quarter (ie. a project in formal discussion moves to planning application submitted). 3. Seek Council Approval for Exclusive Negotiating Agreement with selected Master Developer for RWF 159 Acres Economic Development Lands. 4. Advance/Coordinate Shared Permit Status Dashboard and Advance Annual Permit expansion pilot with PG&E (recycle but part of the agreement with PW) 5. Coordinate with PG&E on Public Utility Easement briefing sheet for PW warm hand-off to resident customers to PG&E

City Infrastructure Objectives	Work Stream (Dept Director/ Driver)	Q2 Key Results (Oct - Dec)
	Electric Vehicle City Fleet Conversion Walter Lin	1. Support Energy Department in facility review (6 City sites) for inclusion in SJCE fast charging hub project, for development in CY 2026 2. Complete BSJ Fleet Optimization Report and Launch Availability Dashboard 3. Complete coordination with PG&E Clean Energy Transportation team for additional engineering / planning design work 4. Finalize justification details for EV infrastructure needs and required budget for February 2026 Capital Budget meeting (preparation for general obligation bond ballot measure) 5. Leverage existing Los Angeles agreement to finalize brand name sole source for EV charging management system
	Electric Vehicle Public Charging Infrastructure Kate Ziemba	1. Finalize hardware selection and initiate DCFC Hub Pilot contract execution 2. Submit DCFC Hub Pilot PG&E Rule 29 applications 3. Finalize the charging programs to be included in the 5-year refresh of the SJCE Programs Roadmap
Water Resilience	Regional Wastewater Facility (RWF) Transformation Kapil Verma	1. Present Plant Master Plan Technical Update to TPAC in November. 2. Complete negotiations with Design Builder for Preliminary Services of the Additional Digester and Facility Upgrade Project and go to TPAC and Council in December.
	Diverse Water Supply/ Direct Potable Reuse Eric Dunlavey	1. Execute Option Agreement to amended Ground Lease with Valley Water to enable a Direct Potable Reuse Demonstration Facility. 2. Complete Development of Exclusive Negotiation Agreement with Valley Water to preserve RWF land for a future full scale potable reuse facility.
	RWF Area Land Use & Construction Coordination Jennifer Voccola-Brown/Kevin Ice	1. Present the Microsoft Master Easement Agreement and the Microsoft-Valley Water-City triparty agreement to the Treatment Plant Advisory Committee and seek authorization to execute the agreements from the San Jose City Council.

City Infrastructure Objectives	Work Stream (Dept Director/ Driver)	Q2 Key Results (Oct - Dec)
Natural Environment Restoration	Ensure Clean Creeks & Rivers (Stormwater Permit) Rajani Nair	1. Seek Council approval to hire consultant for Stormwater Program Funding Analysis 2. Conduct kickoff meeting to begin Stormwater Program Funding Analysis
	Community Forest (Urban Tree Canopy) Sara Davis	1. Onboard and train new staff. 2. Establish tree emergency contractor rotation. 3. Launch city-wide free tree program.