

MINUTES OF THE CITY COUNCIL

SAN JOSE, CALIFORNIA

TUESDAY, FEBRUARY 10, 2015

The Council of the City of San José convened in Regular Session at 9:18 a.m. in the Council Chambers at City Hall.

Present: Councilmembers - Herrera, Jones, Kalra, Khamis, Matthews, Nguyen, Oliverio, Peralez; Liccardo.

Absent: Councilmembers - Carrasco, Rocha. (Excused.)

STRATEGIC SUPPORT SERVICES

3.2 Accept Labor Negotiations Update.

There was no report.

CLOSED SESSION

Upon motion unanimously adopted, Council recessed at 9:22 a.m. to a Closed Session in Room W133 (A) to confer with Legal Counsel pursuant to Government Code Section 54956.9(d)(1) with respect to anticipated litigation in one (1) matter; (B) to confer with Real Property Designated Representatives pursuant to Government Code Section 54956.8: Property, Street Address, Parcel Number or Other Unique Reference of Property: San José Arena, 525 W. Santa Clara Street, San José, California; Negotiating Parties: Nanci Klein, Jim Shannon, Bill Hughes, Patricia Deignan for the City of San José and Jim Goddard, Sean Morely, Lucy LoFrumento for San José Arena Management; Under Negotiation: Direction will concern price and terms of payment; Likely Range of Value of Property: Negotiated price based on comparable rental values; (C) to confer with Legal Counsel pursuant to Government Code Section 54956.9(d)(1) with respect to existing litigation; (1) People of the State of California, et al. v. City of San José, et al.; Names of Partie(s) Involved: The People of the State of California ex rel.; Parties involved: San José Police Officers Association, City of San José, City Council of San José; Court: Superior Court of California, County of Santa Clara; Case No: 1-13-CV-245503; Amount of Money or Other Relief Sought: Verified Complaint In Quo Warranto; (2) IAFF Local 230 v. City of San José; Names of Partie(s) Involved:

CLOSED SESSION (Cont'd.)

International Association of Firefighters Local 230, City of San José; Court: State of California Public Employees Relations Board; Case No.: SF-CE-969-M; Amount of Money or Other Relief Sought: Damages According to Proof; (3) IFPTE Local 21 v. City of San José; Names of Partie(s) Involved: International Federation of Professional and Technical Engineers Local 21, City of San José; Court: State of California Public Employees Relations Board; Case No.: SF-CE-996-M; Amount of Money or Other Relief Sought: Damages According to Proof; (4) American Federation of State, County & Municipal Employees, et al. v. City; Names of Partie(s) Involved: American Federation of State, County & Municipal Employees, City of San José; Court: State of California Public Employees Relations Board; Case No.: SF-CE-924-M; Amount of Money or Other Relief Sought: Damages According to Proof; (5) American Federation of State, County & Municipal Employees, et al. v. City; Names of Partie(s) Involved: American Federation of State, County & Municipal Employees, City of San José; Court: State of California Public Employees Relations Board; Case No.: SF-CE-972-M; Amount of Money or Other Relief Sought: Damages According to Proof; (6) OE#3 v. City of San José; Names of Partie(s) Involved: Operating Engineers Local Union No. 3, City of San José; Court: State of California Public Employees Relations Board; Case No.: SF-CE-900-M; (7) San José Police Officers' Association v. City, et al; Names of Parties Involved: San José Police Officers' Association, City of San José, Board of Administration for Police and Fire Department Retirement Plan of City of San José and Does 1-100; Court: Superior Court of California, County of Santa Clara; Case No: 1-12-CV-225926; Amount of Money or Other Relief Sought: Declaratory and injunctive relief. (8) San José Retired Employees Association, et al. v. City, et al; Names of Parties Involved: San José Retired Employees Association, Howard E. Fleming, Donald S. Macrae, Frances J. Olson, Gary J. Richert and Rosalinda Navarro, City of San José Does 1 – 50, Board of Administration for the Federated City Employees Retirement System; Court: Superior Court of California, County of Santa Clara; Case No: 1-12-CV-233660; Amount of Money or Other Relief Sought: Declaratory Relief and Verified Petition for Writ of Mandate. (9) Sapien, et al. v. City of San José, et al; Names of Parties Involved: Robert Sapien, Marty Kathleen McCarthy, Thanh Ho, Randy Sekany, Ken Heredia, City of San José, Debra Figone in her official as City Manager of the City of San José, Does 1-15, The Board of Administration for the 1961 San José Police and Fire Department Retirement Plan; Court: Superior Court of California, County of Santa Clara; Case No: 1-12-CV-225928; Amount of Money or Other Relief Sought: Challenge to Measure B. (10) Harris, et al. v. City of San José, et al; Names of Parties Involved: Teresa Harris, Jon Reger, Moses Serrano, Suzann Stauffer, City of San José, Debra Figone in her official as City Manager of the City of San José, The Board of Administration for the 1975 Federated City Employees' Retirement Plan, Does 1-15; Court: Superior Court of California, County of Santa Clara; Case: 1-12-CV-226570; Amount of Money or Other Relief Sought: Challenge to Measure B. (11) Mukhar, et al. v. City of San José, et al; Names of Parties Involved: John Mukhar, Dale Dapp, James Atkins, William Buffington, Kirk Pennington, City of San José, Debra Figone in her official as City Manager of the City of San José, The Board of Administration for the 1975 Federated City Employees' Retirement Plan, Does 1-15; Court: Superior Court of California, County of Santa Clara;

CLOSED SESSION (Cont'd.)

Case: 1-12-CV-226574; Amount of Money or Other Relief Sought: Challenge to Measure B. (12) AFSCME, et al. v. City of San José, et al; Names of Parties Involved: American Federation of State, County and Municipal Employees, Local 101 on behalf of its members, City of San José, The Board of Administration for the Federated City Employees' Retirement Plan; Court: Superior Court of California, County of Santa Clara; Case: 1-12-CV-225928; Amount of Money or Other Relief Sought: Challenge to Measure B; (D) to Confer with Labor Negotiator Pursuant to Government Code Section 54957.6: City Negotiator: City Manager Designee Alex Gurza; Employee Organizations: (1) Association of Building, Mechanical and Electrical Inspectors (ABMEI); Nature of Negotiations: Wages/Salaries, Hours, Working Conditions, etc.; Name of Existing Contract or MOA: Memorandum of Agreement between City of San José and ABMEI. (2) Association of Engineers & Architects (AEA); Nature of Negotiations: Wages/Salaries, Hours, Working Conditions, etc.; Name of Existing Contract or MOA: Memorandum of Agreement between City of San José and AEA. (3) Association of Maintenance Supervisory Personnel (AMSP); Nature of Negotiations: Wages/Salaries, Hours, Working Conditions, etc.; Name of Existing Contract or MOA: Memorandum of Agreement between City of San José and AMSP. (4) City Association of Management Personnel Agreement (CAMP); Nature of Negotiations: Wages/Salaries, Hours, Working Conditions, etc.; Name of Existing Contract or MOA: Memorandum of Agreement between City of San José and CAMP. (5) Confidential Employees' Organization, AFSCME Local 101 (CEO); Nature of Negotiations: Wages/Salaries, Hours, Working Conditions, etc.; Name of Existing Contract or MOA: Memorandum of Agreement between City of San José and CEO. (6) International Association of Firefighters, Local 230 (IAFF); Nature of Negotiations: Wages/Salaries, Hours, Working Conditions, etc.; Name of Existing Contract or MOA: Memorandum of Agreement between City of San José and International Association of Firefighters. (7) International Brotherhood of Electrical Workers (IBEW); Nature of Negotiations: Wages/Salaries, Hours, Working Conditions; Name of Existing Contract or MOA: Memorandum of Agreement between City of San José and IBEW. (8) Municipal Employees' Federation, AFSCME Local 101, AFL-CIO (MEF); Nature of Negotiations: Wages/Salaries, Hours, Working Conditions, etc.; Name of Existing Contract or MOA: Memorandum of Agreement between City of San José and MEF; (9) International Union of Operating Engineers, Local No. 3 (OE#3); Nature of Negotiations: Wages/Salaries, Hours, Working Conditions, etc.; Name of Existing Contract or MOA: Memorandum of Agreement between City of San José and International Union of Operating Engineers, Local No. 3. (10) San José Police Officers' Association (SJPOA); Nature of Negotiations: Salaries, Hours, Working Conditions, etc.; Name of Existing Wages Contract or MOA: Memorandum of Agreement between City of San José and San José Police Officers' Association. (11) Association of Legal Professionals of San José (ALP); Nature of Negotiations: Wages/Salaries, Hours, Working Conditions, etc. Web: <http://www.sanjoseca.gov/?nid=186>; Telephone for Employee Relations: 408-535-8150.

CLOSED SESSION (Cont'd.)

By unanimous consent, Council recessed from the Closed Session at 12:20 p.m. and reconvened to Regular Session at 1:30 p.m. in the Council Chambers.

Present: Councilmembers - Herrera, Jones, Kalra, Khamis, Matthews, Nguyen, Oliverio, Peralez; Liccardo.

Absent: Councilmembers - Carrasco, Rocha. (Excused.)

INVOCATION

Councilmember Kalra recognized Lunar New Year and wished everyone happiness in the new year.

PLEDGE OF ALLEGIANCE

Mayor Liccardo led the Pledge of Allegiance.

ORDERS OF THE DAY

Upon motion by Vice Mayor Herrera, seconded by Councilmember Khamis and carried unanimously, the Orders of the Day and the Amended Agenda were approved, with Council resumed to Closed Session following the Open Session. (9-0-2. Absent: Carrasco, Rocha.)

CONSENT CALENDAR

Upon motion by Councilmember Oliverio, seconded by Council Member Jones and carried unanimously, the Consent Calendar was approved and the below listed actions were taken as indicated. (9-0-2. Absent: Carrasco, Rocha.)

2.1 Approval of Minutes.

None.

2.2 Final Adoption of Ordinances.

None.

2.3 Approval of Council Committee Reports.

- (a) **Rules and Open Government Committee Report of January 21, 2015. (Mayor)**
- (b) **Community and Economic Development Committee Report of January 26, 2015. (Khamis)**

Action: Deferred to February 24, 2015 per City Clerk.

2.4 Mayor and Council Excused Absence Requests.

None.

2.5 City Council Travel Reports.

None.

2.6 Report from the Council Liaison to the Retirement Boards.

None.

- 2.7**
- (a) **Negotiate and execute an Agreement with Fairbank, Maslin, Maullin, Metz & Associates, Inc. (FM3 Research) for public opinion survey consultant services on behalf of the City of San José for the period from the date of execution through December 31, 2016, with options to extend the agreement for two one-year terms, for an amount not to exceed \$116,250 for each option period, for a total compensation not to exceed \$610,500; and**
 - (b) **Exercise the options to extend the Agreement for two one-year terms commencing January 1, 2017 through December 31, 2018, subject to the appropriation of funds.**

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

Note: Renumbered to Item 3.6 – See Item 3.6 for Action Taken.

2.8 Adopt a resolution authorizing the City Manager to:

- (a) **Execute an Agreement with the Silicon Valley Regional Interoperability Authority (SVRIA) to transfer equipment and licenses for the Emergency Communications (EComm) microwave radio network from the City of San José to the SVRIA; and transfer all continuing restrictions and obligations assigned under the Urban Area Security Initiative and Community Oriented Policing Services Grant Funds agreement used by the City of San José to purchase the EComm microwave radio network from the City of San José to the SVRIA;**
- (b) **Execute Assignments of each site license to the SVRIA and the County of Santa Clara in the form set forth in the Agreement, as long as all necessary approvals have been obtained;**

2.8 (Cont'd.)

- (c) **Execute Site License Agreements for each San José owned site for the SVRIA to access the sites for maintenance and operation, as long as all necessary approvals have been obtained. CEQA: Not a Project, File No. PP10-066(e), Services that involve no physical changes to the environment. (City Manager)**

Documents Filed: Memorandum from Interim Assistant City Manager David Sykes, dated January 20, 2015, recommending adoption of a resolution.

Action: Resolution No. 77280, entitled: “A Resolution of the Council of the City of San José Authorizing the City Manager to Execute an Agreement with the Silicon Valley Regional Interoperability Authority (SVRIA) for Transfer of Equipment, Licenses, and Grant Fund Restrictions and Obligations for the Emergency Communications Microwave Radio Network from the City of San José to SVRIA, to Execute Assignments of Each Site License Under the Agreement, and to Execute Site License Agreements for Operation and Maintenance of Sites Located in San José”, was adopted. (9-0-2. Absent: Carrasco, Rocha.)

2.9 Report on bids and award of contract for the 7571-Miscellaneous Sanitary Sewer Repairs FY 14-15 (Package I) project to the low bidder, Cratus, Inc., in the amount of \$876,856 and approval of a contingency in the amount of \$87,686. CEQA: Exempt, File No. PP13-076. (Public Works)

Documents Filed: Memorandum from Interim Director of Public Works Barry Ng, dated January 20, 2015, recommending acceptance of a report and award of a contract.

Action: The report on bids and award of contract for the 7571-Miscellaneous Sanitary Sewer Repairs FY 14-15 (Package I) Project to the low bidder, Cratus, Inc., in the amount of \$876,856 with related contingencies was accepted. (9-0-2. Absent: Carrasco, Rocha.)

2.10 (a) Approve the Vice Mayor Reception scheduled on January 29, 2015 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. (Herrera)

Documents Filed: Memorandum from City Clerk Toni J. Taber, dated January 29, 2015, transmitting the recommendations of the Rules and Open Government Committee.

Action: The Vice Mayor Reception as a City Council Sponsored Special Event was approved, and expenditure of funds and authorization to accept donations from various individuals, businesses or community groups to support the event, was approved. (9-0-2. Absent: Carrasco, Rocha.)

- 2.11 Approve an ordinance of the City of San José amending Section 10.32.010 of Title 10 of the San José Municipal Code to allow persons with a duly issued and approved wild pig depredation permit from the California Department of Fish and Wildlife to discharge a firearm within the limits of the City under specified circumstances. CEQA: Santa Clara Valley Habitat Plan Final EIR, Resolution No. 76546 and Ordinance No. 29336, File No. PP13-103. (City Attorney/Public Works)**

Documents Filed: Memorandum from Interim Director of Public Works Barry Ng, dated February 3, 2015, recommending approval of an ordinance.

Public Comment: David Wall offered comments regarding Items 2.11, 2.12 and 2.13.

Action: Upon motion by Vice Mayor Herrera, seconded by Councilmember Khamis and carried unanimously, Ordinance No. 29532, entitled: “An Ordinance of the City of San José Amending Section 10.32.010 of Chapter 10.32 of Title 10 of the San José Municipal Code, to Allow Persons with a Duly Issued and Approved Wild Pig Depredation Permits from the California Department of Fish and Wildlife to Discharge a Firearm Within the Limits of the City Under Specified Circumstances”, was passed for publication. (9-0-2. Absent: Carrasco, Rocha.)

- 2.12 (a) Make a finding that the reappointment of Mike Graves to a third term on the Housing and Community Development Commission is necessary to maintain a Mobilehome Landlord Representative on the Commission;**
- (b) Approve the following Board and Commission appointments:**
- (1) Council Appointment Advisory Commission:**
 - (a) District 1: Appoint Mark Warlick to a term expiring 12/31/18;**
 - (b) District 3: Appoint Lydia Lacy to a term expiring 12/31/18;**
 - (2) Housing and Community Development Commission:**
 - (a) District 7: Appoint Melissa Medina to a term expiring 6/30/18;**
 - (b) Mobilehome Landlord Representative: Reappoint Mike Graves to a term expiring 12/31/18;**
 - (3) Human Services Commission:**
 - (a) Disability Service Provider or Disabled Representative: Appoint Michael Casas to a term expiring 12/31/18;**
 - (4) Neighborhoods Commission:**
 - (a) District 8: Appoint Nichole Edraos to a term expiring 6/30/16.**

Documents Filed: (1) Joint memorandum from Mayor Liccardo, Vice Mayor Herrera and Councilmember Khamis, dated February 6, 2015, recommending changes to the Board and Commission appointment process. (2) Memorandum from City Clerk Toni J. Taber, dated January 22, 2015, recommending approval of Board and Commission appointments. (3) Supplemental memorandum from City Clerk Toni J. Taber, dated February 3, 2015, transmitting names of nominations.

2.12 (Cont'd.)

Vice Mayor Herrera pulled Item 2.12 to express concerns with the current Board and Commission appointment process.

Motion: Vice Mayor Herrera moved approval of the Staff's recommendations with changes as outlined in the memorandum she cosigned with Mayor Liccardo and Councilmember Khamis dated February 6, 2015. Councilmember Khamis seconded the motion.

City Clerk Toni J. Taber, responded to questions from Council and indicated that recommendations regarding the appointment process would be presented at the Rules and Open Government meeting of February 25, 2015.

Action: On a call for the question, the motion carried unanimously, and the reappointment of Mike Graves to a third term on the Housing and Community Development Commission, appointments to the Council Appointment Advisory Commission, the Housing and Community Development Commission, the Human Services and the Neighborhoods Commissions were approved, with the City Clerk to include changes to the Board and Commission appointment process as outlined in the joint memorandum from Mayor Liccardo, Vice Mayor Herrera and Councilmember Khamis, dated February 6, 2015: (1)(a) Allow each Council District fourteen (14) days from the end of the application period to nominate an applicant for a Board or Commission; (b) If the Council District does not nominate an applicant in the allotted amount of time, allow the Council Liaison Office for that Board or Commission to make the nomination for that seat instead. (2) City Clerk to return to the City Council in March 2015 with a report on the Board and Commission appointment process. (9-0-2. Absent: Carrasco, Rocha.)

2.13 Adopt a resolution:

- (a) **Authorizing Applied Development Economics (ADE) to examine all sales and use tax records of the California State Board of Equalization on behalf of the City of San José for the preparation of the fiscal analysis update for the Envision San José 2040 General Plan, and certifying that Consultant meets certain conditions;**
- (b) **Authorizing ADE to examine ES202 industry and employment data for the City of San José from the California State Employment Development Department (EDD) for economic development purposes related to the fiscal analysis update to the Envision San José 2040 General Plan;**
- (c) **Authorizing the City Manager or his designee to negotiate and execute an Addendum to the City's Memorandum of Understanding (MOU) with the California State Employment Development Department (EDD) to examine ES202 industry and employment data for economic development purposes related to the fiscal analysis update to the Envision San José 2040 General Plan.**

CEQA: Not a Project, File No.PP10-066(d), Agreements. (Economic Development)

2.13 (Cont'd.)

Documents Filed: Memorandum from Deputy City Manager/Director of Economic Development Kim Walesh, dated February 5, 2015, recommending adoption of a resolution.

Action: Resolution No. 77281, entitled: "A Resolution of the Council of the City of San José Authorizing Applied Development Economics to Examine all Sales and Use Tax Records of the California State Board of Equalization and to Examine ES202 Industry and Employment Data from the California State Employment Development Department (EDD), on Behalf of the City of San José in Order to Conduct the Fiscal Analysis Update to the Envision San José 2040 General Plan, and Authorizing the City Manager or Designee to Negotiate and Execute an Addendum to the Memorandum of Understanding with the EDD", was adopted. (9-0-2. Absent: Carrasco, Rocha.)

STRATEGIC SUPPORT SERVICES

3.1 Report of the City Manager

Interim City Manager Norberto Dueñas reported that Lawrence Berkeley National Laboratory, in partnership with Zero Waste Energy Development Company (ZWED) and San José Environmental Services Department, has been awarded a \$4.3 million grant by the California Energy Commission's Electric Program Investment Charge program. He also indicated that a meeting had been arranged with the County of Santa Clara to discuss evaluating funding for homeless programs.

- 3.3
- (a) **Approve the 2014-2015 Mid-Year Budget Review Report.**
 - (b) **Adopt Related Appropriation Ordinance and Funding Sources Resolution amendments in various funds as detailed in Section III (Recommended Budget Adjustments and Clean-Up Actions) of the 2014-2015 Mid-Year Budget Review Report.**
 - (c) **Adopt an ordinance ratifying the following 2013-2014 Appropriation Ordinance amendments in the Construction Tax and Property Conveyance Tax Fund: Fire Protection Purposes:**
 - (1) **Increase the Transfer to the General Fund – Interest Earnings by \$674; and**
 - (2) **Decrease the Ending Fund Balance by \$674.**
- CEQA: Not a Project, File No. PP10-067(b), Appropriation Ordinance. (City Manager)**

Documents Filed: Memorandum from Interim Senior Deputy City Manager/Budget Director Jennifer Maguire dated January 30, 2015, submitting the "2014-2015 Mid-Year Budget Review Report".

3.3 (Cont'd.)

Interim Senior Deputy City Manager/Budget Director Jennifer Maguire provided a presentation, and Interim Assistant Director of Parks, Recreation and Neighborhood Services, Angel Rios; Interim Director of Housing Jacky Morales-Ferrand and Deputy City Manager/Director of Economic Development Kim Walesh responded to questions from Council.

Assistant Director of Transportation Jim Ortbal provided information regarding future development and fees collected to construct interchanges.

Public Comment: David Wall offered comments on funds allocated to address homelessness.

Motion: Upon motion by Vice Mayor Herrera, seconded by Councilmember Khamis and carried unanimously, Resolution No. 77282, entitled: “A Resolution of the Council of the City of San José Amending Resolution No. 77037 Setting Forth the Estimated Sources of Funds for the Fiscal Year 2014-2015 to Adjust Revenues in the General Fund and Various Special and Capital Funds”; Ordinance No. 29533, entitled: “An Ordinance of the City of San José Amending Ordinance No. 29431 to Appropriate Monies in the General Fund and Various Special and Capital Funds; and Providing that this Ordinance Shall Become Effective Immediately Upon Adoption”; and Ordinance No. 29534, entitled: “An Ordinance of the City of San José Authorizing and Ratifying Certain Encumbrances and/or Expenditures Made During City’s 2013-2014 Fiscal Year in Excess of Sums Appropriated Therefore; Amending Ordinance No. 29271 to Appropriate Monies in the Construction Tax and Property Conveyance Tax Fund: Fire Protection Purposes for Transfer to the General Fund – Interest Earnings; and Providing that this Ordinance Shall Become Effective Immediately Upon Adoption”, were adopted. (9-0-2. Absent: Carrasco, Rocha.)

3.4 **Accept staff report and public input on the Annual Summary of Upcoming Labor Negotiations. CEQA: Not a Project, File No. PP10-069(a), Annual Reports. (City Manager)**

Documents Filed: (1) Memorandum from Councilmember Rocha, dated February 10, 2015, presenting further Council/Staff considerations. (2) Memorandum from Interim City Manager Norberto Dueñas, dated January 30, 2015, recommending acceptance of the staff report.

Interim Director of the Office of Employee Relations, Jennifer Schembri, provided a presentation on labor negotiations, and extensive discussion followed.

Public Comment: David Wall offered comments on funds allocated to address homelessness.

3.4 (Cont'd.)

Motion: Vice Mayor Herrera moved approval of the staff report. Council Member Peralez seconded the motion.

Council Member Peralez requested to amend the motion to add Councilmember Rocha's considerations for referral to staff. The amendment was accepted by Vice Mayor Herrera.

Council discussion followed, with discussion regarding Councilmember Rocha's considerations as outlined in his memorandum of February 10, 2015.

Action: On a call for the question, the motion carried unanimously, the staff report and public input on the Annual Summary of Upcoming Labor Negotiations were accepted, with Staff directed to consider questions and recommendations as outlined in Councilmember Rocha's memorandum of February 10, 2015. (9-0-2. Absent: Carrasco, Rocha.)

3.5 **Adopt a resolution authorizing the City Manager to execute a Continuation Agreement with Renne Sloan Holtzman & Sakai, LLP, for labor consulting services in connection with labor matters, extending the term to June 30, 2016, at no additional cost to the City. CEQA: Not a Project, File No. PP10-069(e), Services that involve no physical change to the environment. (City Manager)**

Documents Filed: Memorandum from Interim Director of the Office of Employee Relations, Jennifer Schembri dated January 28, 2015, recommending adoption of a resolution.

Public Comment: David Wall offered criticism of negotiations held thus far.

Motion: Vice Mayor Herrera moved approval of the staff report. Council Member Peralez seconded the motion.

City Attorney Richard Doyle provided clarification regarding labor consulting services and the City's option to release itself from the contract.

Councilmember Nguyen expressed reluctance with the motion on the table, adding that it would do nothing to hasten negotiations. Councilmember Kalra offered that he could not support the motion, indicating that this option poses an opportunity for the City to reevaluate its approach in handling negotiations.

Interim City Manager Norberto Dueñas responded to questions from Council.

Action: On a call for the question, the motion carried, and Resolution No. 77283, entitled: "A Resolution of the Council of the City of San José Authorizing the City Manager to Execute a Continuation Agreement with Renne Sloan Holtzman and Sakai, LLP for Labor Consulting Services", was adopted. (8-1-2. Noes: Kalra. Absent: Carrasco, Rocha.)

- 3.6 Adopt a resolution authorizing the City Manager to:**
- (a) Negotiate and execute an Agreement with Fairbank, Maslin, Maullin, Metz & Associates, Inc. (FM3 Research) for public opinion survey consultant services on behalf of the City of San José for the period from the date of execution through December 31, 2016, with options to extend the agreement for two one-year terms, for an amount not to exceed \$116,250 for each option period, for a total compensation not to exceed \$610,500; and**
 - (b) Exercise the options to extend the Agreement for two one-year terms commencing January 1, 2017 through December 31, 2018, subject to the appropriation of funds.**

**CEQA: Not a Project, File No. PP10-066(e), Services that involve no physical changes to the environment. (City Manager)
(Deferred from 2/3/15 – Item 2.9)**

Note: Renumbered From Item 2.7

Documents Filed: Memorandum from Director of Communications, David Vossbrink, dated January 30, 2015, recommending adoption of a resolution.

Public Comment: David Wall opined that the surveys are a waste of City funds.

Director of Communications, David Vossbrink responded to questions from Council.

Motion: Councilmember Jones moved approval of the Staff's recommendations, with the modification that budget prioritization surveys be conducted from annually and biennially to as needed. Councilmember Nguyen seconded the motion.

Councilmember Oliverio suggested that the City Manager's Office, in conjunction with the Mayor's budget team work to increase community engagement.

Action: On a call for the question, the motion carried unanimously, and Resolution No. 77284, entitled: "A Resolution of the Council of the City of San José Authorizing the City Manager to Negotiate and Execute an Agreement with Fairbank, Maslin, Maullin, Metz & Associates, Inc. (FM3 Research) for Public Opinion Survey Consultant Services", was adopted, with the contract to allow the continuation of regular City surveys on an 'as needed' basis. (9-0-2. Absent: Carrasco, Rocha.)

COMMUNITY & ECONOMIC DEVELOPMENT

4.1 Adopt a resolution:

- (a) **Authorizing the issuance of:**
 - (1) **A tax-exempt multifamily housing revenue note designated as “City of San José Multifamily Housing Revenue Note (Poco Way Apartments), Series 2015A (the “Series 2015A Tax-Exempt Note”) in a principal amount not to exceed \$21,833,854; and**
 - (2) **A taxable multifamily housing revenue note designated “City of San José Multifamily Housing Revenue Note (Poco Way), Series 2015A-T (the “Series 2015A Taxable Note”, and with the Series 2015A Tax-Exempt Note, the “Series 2015A Notes”) in a principal amount not to exceed \$3,000,000;**
- (b) **Approving a loan of Series 2015A Note proceeds to McCreery Avenue, L.P., a California limited partnership created by the Housing Authority of the County of Santa Clara, to finance the acquisition and rehabilitation of the Poco Way Apartments located at 1900 Poco Way, in San José (the “Project”);**
- (c) **Approving in substantially final form the Funding Loan Agreement, Borrower Loan Agreement, Assignment of Deed of Trust, and Regulatory Agreement and Declaration of Restrictive Covenants (the “Series 2015A Documents”);**
- (d) **Authorizing and directing the City Manager, Director of Finance and Interim Director of Housing, or their designees, to execute and, deliver the Series 2015A Documents and related Series 2015A Documents as necessary;**
- (e) **Authorizing the Interim Director of Housing, or her designee, to negotiate and execute all documents necessary to effectuate the City loan transaction consistent with the terms described in the memorandum to the Mayor and City Council;**
- (f) **Authorizing the Interim Director of Housing, or her designee, to negotiate and execute all documents necessary to govern the use of the Seller Proceeds consistent with the terms described in the memorandum to the Mayor and City Council.**

CEQA: Exempt, File No. PP15-009. Council District 5. (Housing/Finance)

Documents Filed: (1) Memorandum from Councilmember Carrasco, dated February 10, 2015, recommending approval of staff recommendations. (2) Joint memorandum from Interim Director of Housing Jacky Morales-Ferrand and Director of Finance Julia H. Cooper, dated January 20, 2015, recommending adoption of a resolution, and authorizations as indicated above. (3) Supplemental memorandum from Interim Director of Housing Jacky Morales-Ferrand and Director of Finance Julia H. Cooper, dated February 6, 2015, correcting recommendation (e).

4.1 (Cont'd.)

Public Comment: (1) David Wall offered criticism to the project. (2) Alex Sanchez, representing the Housing Authority, spoke to merits of the project and responded to questions from the Council.

Action: Upon motion by Councilmember Oliverio, seconded by Vice Mayor Herrera and carried unanimously, Resolution No. 77285, entitled: "A Resolution of the Council of the City of San José Approving the Issuance of Tax-Exempt and Taxable Multifamily Housing Revenue Notes and Loan of Note Proceeds and Related Documents for the Poco Way Apartments Project", was adopted. (9-0-2. Absent: Carrasco, Rocha.)

TRANSPORTATION & AVIATION SERVICES

6.1 As recommended by the Rules and Open Government Committee on December 10, 2014, modify RFP SJC131415 On-Demand Ground Transportation Management for the Norman Y. Mineta San José International Airport in order to comply with Council direction from March 4, 2014 to ensure the ability to work at the airport will be distributed equally among the companies as follows:

- (a) **Delete the following language from the RFP: "It is not expected, nor would an option be reviewed and approved by the Airport that calls for an equal/identical number of drivers to be assigned to the Airport per company despite the size of the company."**
- (b) **Add the following language to the RFP: "Qualified cab companies will be required to provide an equal number of taxi cabs at the Airport to meet the demand from first to last flight, or from 5:00 a.m. to 12:00 midnight. The cab companies can schedule their drivers by 8 hours or more per day shift to give all of their drivers a chance to work at the Airport."**

(Herrera/Khamis)

[Rules and Open Government Committee 12/10/14 – Item G(5)]

(Deferred from 1/27/15 – Item 6.1)

Action: Deferred to February 24, 2015 per Administration.

REDEVELOPMENT – SUCCESSOR AGENCY

- 9.1 (a) **The Successor Agency Board and City Council approve a Purchase and Sale Agreement to sell the Successor Agency owned Central Place Parking Garage located at 88 San Fernando Street (Assessor Parcel Numbers 467-64-001 and 467-64-002) to the City of San José for the appraised value of \$850,000;**
- (b) **The City Council adopt a resolution to repeal Resolution No. 77019 and set forth the Master Parking Rate Schedule to establish parking rates for the Central Place Parking Garage, contingent upon acquisition of the Garage by the City;**
- (c) **The City Council adopt the following 2014 – 2015 Appropriation Ordinance amendments in the General Purpose Parking Fund:**
- (1) **Decrease the appropriation to the Department of Transportation for Minor Parking Facility Repairs by \$550,000;**
 - (2) **Decrease the appropriation to the Department of Transportation for Revenue Control and Meter Upgrades by \$200,000;**
 - (3) **Decrease the appropriation to the Department of Transportation for Security Improvements by \$150,000; and**
 - (4) **Establish a Capital Improvement appropriation to the Department of Transportation for the Central Place Parking Garage in the amount of \$900,000.**

CEQA: Exempt, File No. PP15-010. (Transportation/Successor Agency to the Redevelopment Agency/City Manager)

Documents Filed: (1) Joint memorandum from Successor Agency Managing Director Richard A. Keit, Director of Transportation Hans Larsen and Interim Senior Deputy City Manager/Budget Director Jennifer Maguire, dated January 30, 2015, providing recommendations regarding the sale of the Central Place Parking Garage. (2) Letter from the Downtown Parking Board Vice Chairperson, Nick Nichols, dated February 6, 2015, offering support to the staff’s proposal.

Public Comments: David Wall offered a historical perspective.

Action: Upon motion by Councilmember Oliverio, seconded by Vice Mayor Herrera and carried unanimously, Resolution No. 77286, entitled: “A Resolution of the Council of the City of San José Setting Forth the Master Parking Rate Schedule for Municipal on and Off-Street Parking Facilities to Establish Parking Rates for the Central Place Garage, and to Repeal Resolution No. 77013”; and Ordinance No. 29535, entitled: “An Ordinance of the City of San José Amending Ordinance No. 29431 to Appropriate Monies in the General Purpose Parking Fund for the Central Place Parking Garage; and Providing that this Ordinance Shall Become Effective Immediately Upon Adoption”, were adopted. (9-0-2. Absent: Carrasco, Rocha.)

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>
10288	1855 Dobbin Drive	3	Pulte Homes	15 Lots/131 Units	Condos

OPEN FORUM

1. Blair Beekman provided observations on the drone use program.
2. Brian Darby advocated honoring San José’s past and honoring the land.
3. David Wall addressed shortcomings of Newby Island landfill expansion plans.
4. Ray Perez spoke to the homeless issue in Santa Clara County and to the lack of adequate services for homeless women in particular.

ADJOURNMENT

The Council of the City of San José adjourned to Closed Session at 4:47 p.m.

Minutes Recorded, Prepared and Respectfully Submitted by,

Toni J. Taber, CMC
City Clerk

rmk/2-10-15MIN