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City of San José Rules and Open Government Committee.

>> Mayor Reed: Meeting to order. This is the Rules and Open Government Committee meeting for January 13th. First question is, whether or not there is any changes to our agenda order. And I have one question, and that's regard to the work plan, on the medical marijuana referral to staff. I understand that it was on the agenda, but not in time for us to discuss it today.

>> City Attorney Doyle: That's correct.

>> Mayor Reed: We'll need to pick a date to do that. Councilmember Oliverio won't be here next week. So it might be further out. But for purposes of today, if there are people here that have come to speak to that, we could take testimony, we just won't discuss it or take action.

>> City Attorney Doyle: It's not properly agendized to even hear so I think it would have to be on open forum.

>> Mayor Reed: We have open forum on the agenda, what we normally do is take that last. We could after the agendas we could have open forum. If people wanted to speak on that they would. Otherwise they could take it up with the report and they could certainly come back. That would be the first item after G, after appointments to boards, commissions and committees, which we have none, we will take up the open forum and people can speak if they wish. Anything else on the agenda order?

>> Move to approve.

>> Mayor Reed: We'll take it as printed except as amended.

>> Councilmember Chirco: Second.

>> Mayor Reed: All in favor, opposed, none opposed. January 19th meeting agenda, that will be easy, no meeting, best kind. January 26th draft agenda. Anything on page 1? Page 2 or 3? Page 4 or 5? Page 6 or 7? Page 8 or 9? We have 3.6, actions regarding retirement board, we should revisit that when we get to the end and see what else is on. Anything else on 8 or 9?

>> City Attorney Doyle: Mr. Mayor, item number 4.2, the public entertainment ordinance, I mentioned last week that we will have the memo out I believe tomorrow. But that is not two weeks in advance. It's -- it would be more than ten days in advance but we would ask for a waiver of sunshine.

>> Mayor Reed: If we don't do it on the 26th when would we do it?

>> City Attorney Doyle: February 2nd would be the earliest. But you know, we've delayed this, and there's some concern of litigation and we want to bring it forward as soon as possible.

>> Mayor Reed: Okay, so we'll need to include that in the motion, a waiver of sunshine. Anything else on 8 or 9? 10 or 11. Page 12 or 13. Or 14 or 15? Have one memorandum requesting an item, revisions related to anonymous complaints to the San José elections commission. This is coming back to us from referral to the council, to add on on the agenda. Any other additions to the agenda? Okay, let's go back and talk about the time for the retirement board discussion. If it's not earlier than 3:00, looks like it might actually be close to 3:00, given what's on in front of it. So not earlier than 3:00 probably works for that. If we get there too soon we can take several other items that won't take too long to fill in the gap. Any other issues that we need to figure a time for? Okay.

>> Councilmember Constant: I'll make a motion to approve with the add and the waiver sunshine, for 4.2 or 3, whichever one it was.

>> Councilmember Pyle: 2. Second.

>> Mayor Reed: Motion is to waiver of sunshine on 4.2 provided the memo gets out at least ten days before. That will work. All in favor, opposed, none opposed, that's approved. Redevelopment agenda, January 19th, no meeting. January 26th? Anything on page 1? Page 2 or 3? Or 4? Not much there. Any requests for additions or changes, Gary?

>> Mr. Mayor, members of the committee, there's no additions however, the agency would like to request consideration that the agency agenda be heard immediately following perhaps the ceremonial section of the city. Our estimate is the four action items that we have is probably five to ten minutes of council-board discussion discussion. Rather than waiting until the end of the agenda which is unknown, and approval today would also allow us to put it on the published agenda, given any possible notice of time change rather than waiting until next week.

>> Mayor Reed: With the retirement board set not before 3:00, I think we probably could just get this all done before then, if we do the redevelopment part early, that would still fill in that gap a little bit. Anything else on it?

>> Councilmember Constant: Motion to approve with being heard right after consent.

>> Councilmember Pyle: Second.

>> Mayor Reed: Motion is to have it heard right after the consent.

>> Councilmember Constant: Ceremonials I meant.

>> Mayor Reed: After ceremonials, before consent.

>> That either way works, whatever the pleasure of the committee.

>> Mayor Reed: Let's do it after the ceremonials before the consent. All in favor, opposed, none opposed, that's approved. We have a no upcoming study sessions to consider. Legislative update we have a verbal report regarding Sacramento, and a report on federal activities as well.

>> Betsy Shotwell: Thank you, Mr. Chair. Members of the committee. Betsy Shotwell, Director of Intergovernmental Relations. If I could ask the state report be delayed until our state lobbyist arrives, she's en route, don't exactly know where, but if I could add that. Then I do have the report of Patton Boggs their federal annual year-end report which I could move forward with. Most of this information we've seen previously, in memos from patton Boggs or info memos from me. A lot of activities, if you haven't had time it's a very interesting layout of working with the new administration in Washington and of course many trips the mayor took, as well. And of course, usually Patton Boggs is here to do this presentation but they're putting together our appropriation request and we felt it was far better use of their time this week to get those deadlines met for our delegation. They'll be out I'd say late February or March to discuss what's pending and there will be a lot pending. We won't know until really the president's state of the union address which they say will probably be the first week of February, but we don't know for sure. That will lay out a lot of the blueprint for this coming year, and as well as the budget when it's produced in February. So if there's any questions I'd be happy to answer them.

>> Mayor Reed: Well, first, they did an excellent job of their reports. Very detailed. And the part that I had in the trips to Washington were very well described, did a good job of remembering all the things that we did and all the places that we went.

>> Betsy Shotwell: You were a very busy mayor.

>> Mayor Reed: Very busy. I did want to point out, just looking at this, and seeing what happened in Washington, that they were directly engaged in tens of millions of dollars of funding that we got, not just in the appropriations through our delegation which they work on. But the economic stimulus package, in particular the airport, this report refers to \$21 million of funding for the in-line baggage screening system at the airport but there's another \$21 million that came in another funding source as well, and having been involved in discussions with the transportation security administration on several trips to Washington with patton Boggs' help, I'm convinced that we would not have got that money if they hadn't had the expertise to bring, figure out ways, creative ways to work with the TSA to do that. So they certainly deserve our thanks for that.

>> Betsy Shotwell: Thank you, I'll pass that on.

>> Mayor Reed: If you go out to the airport am June 30th have an opening, in-line baggage service, best in the country, we wouldn't have had that, and Patton Boggs had a part in this. Anything else? Nancy.

>> Councilmember Pyle: Absolute kudos are due to Patton Boggs and since it doubled the amount we ordinarily get is astounding. I wanted to ask too about the wetlands, the water reclamation project. Is that the Alviso project that was mentioned in today's paper?

>> Betsy Shotwell: I haven't seen the paper today. I'd have to find out, I don't know if anyone is here from ESC, who could answer that question, but I'd have to check that.

>> Councilmember Pyle: It's quite an expansive project I understand it was over \$3 million to kind of get busy and clean it up.

>> Betsy Shotwell: Probably I'll have to check with my counterpart to check that out.

>> Councilmember Pyle: All of this is extremely exciting. My question is, mayor, you deserve a lot of credit, I mean the fact that you were able to meet with all those people and remember all the facts and figures and all the rest that goes into a persuasive dialogue, it's very impressive.

>> Mayor Reed: Thank you.

>> Councilmember Pyle: So I'm very appreciative of that. And letters, I know Sam wrote some letters of thank you, but should we not, as a group, send a letter of thank you, to each of the representatives?

>> Mayor Reed: I believe each --

>> Betsy Shotwell: They are being drafted as we speak.

>> Mayor Reed: Each member of the delegation will get a letter.

>> Betsy Shotwell: Patton Boggs is drafting a letter.

>> Mayor Reed: You're right, they should be.

>> Councilmember Pyle: Thank you so much. It was a wonderful read.

>> Mayor Reed: One other thing on that point in terms of thanking our federal representatives, it's really important for us to remember them when we do nice projects. And if we can acknowledge them when we implement a project, ribbon cuttings or whatever you want to call it, to not forget that they helped us on a lot of things. I know that we try to include them, in ribbon cuttings whenever possible. And I think that's an important thing for us, all of us individually to remember as we're talking with them.

>> Betsy Shotwell: Right.

>> Mayor Reed: That they helped us.

>> Councilmember Pyle: Absolutely.

>> Mayor Reed: Anything else on the federal? Okay, ROM Ann Miller has arrived. We can talk about, I'm not saying the good news coming out of the state but the news coming out of the state, whatever that might be.

>> Roxann Miller: Well, there are times when we think there is nowhere to go but up.

>> Mayor Reed: Is that the way to think about it? Okay.

>> Roxann Miller: Mr. Mayor, members of the committee, as you're all aware, the governor has exercised his constitutional responsibility and has introduced his version of the state budget. It's not only the budget that will begin July 1, the 10-11 budget, but it also will be addressing the 18-month period which includes the last six months of this year. As you are I believe aware the number at this point as far as an estimate for which the Legislative Analyst is concurred in is a total deficit of \$19.9 billion. To put that very briefly in some perspective, when the legislature wrestled to a conclusion and we worked very hard with our delegation and with leadership back in February to resolve a budget, it was in this past year that we've dealt literally with approximately a \$60 billion shortfall.

>> Mayor Reed: So 19 billion over 18 months?

>> Roxann Miller: Over 18 months.

>> Mayor Reed: Only about a billion dollars every month.

>> Roxann Miller: We'll probably have a ticker on the first floor of the capitol too, reminding everyone. So once again, obviously it becomes more and more difficult as the options shrink. And certainly, there will be a substantial degree of pain and suffering to ensue, particularly with this budget. Because we have run out of gimmicks, short fixes, borrowing, raiding, whatever we could do. And I apologize. This is quite a contrast to your discussion you just had with regard to Washington, D.C. But we are going to make some opportunities to do our best to contain things. First of all, proposition 1A worked the way we had hoped it would work. And we of course were part of the drafters of that.

>> Mayor Reed: Well, it's probably too early to tell, because they've taken the money the way we expected. They haven't paid it back yet the way we hope.

>> Roxann Miller: No, they have not. But there is a 90 million --

>> Mayor Reed: So far it's working the way it was organized.

>> Roxann Miller: Correct, you are correct. With regard to redevelopment, the good news is that the governor did not choose to take any more from us. So --

>> Mayor Reed: Searching hard for the good news.

>> Roxann Miller: But not less. So we are faced with the new year starting 10-11. Of the \$350 million, San José's redevelopment agency share, you'll recall, is \$13 million. Not one to lose site on the fact, though, that the lawsuit is going forward. Arguments will be made next month, and there will be every effort to get a signal from the court, so that redevelopment agencies including ours will not find the necessity to write check, meaning writing the check to the State of California General Fund. So that's where we are with regard to redevelopment. With regard to transportation, here's where we get creative, again, because there are limited options available. Very clearly, if I may overall, we are looking once again at a donnybrook between Republicans and Democrats. And it's an election year, so that will broaden to members of the legislature who are less inclined to vote, be part of a two-thirds vote for tax increases. Given the state of the economy, given what they hear when they go home to their constituents, irregardless of political party. So keeping that in mind, of course, this past budget go-round, the mayor participated very much in those discussions. We were able to contain, barely, the HUTA take, the highway users tax take. This governor has brought it back up in this discussion, but not in the same way. What we are talking about is a proposal that would eliminate the sales tax which is the prop 42 and would put a larger dependence upon the highway users tax, that's the excise tax on gasoline. The proposal right now, the highway users tax, is levied at 18, on the dollar. And this proposal would increase the dependency on the viability and health of HUTA by an additional, I think it's 10.8%. So that is a big shift. I think it's -- I think it's fair to say that part of the reason, certainly a big motivation for the

administration to make this change was that it involved a recognition of the dollars generated and dollars that are available for purposes of calculating prop 98 for schools. And part of this transaction will be if it were to hold, is that schools would receive almost a billion dollars less under the 98 calculation than they would otherwise receive. Obviously this is exceedingly problematic. When you speak to those in the education community and we work on the race to the top, and hopefully bring some dollars home to California, to particularly the underachieving schools, it is clear that the political will, I think, at this point, that there will not be the desire, the interest to do what the governor's proposed. Not for schools, not for Democrats, and would suggest to you and will hear this, too, from our friends in the transit field and as you serve on VTA, what the governor has done basically is to take away, by a movement to HUTA from 42, take away the constitutional protections we won for assuring the viability in the future of the 42-based transportation dollars.

>> Mayor Reed: So prop 42 would still -- there would be no money.

>> Roxann Miller: There would be no money. And acknowledging once again that the transit districts had fought very hard, and had exhausted, they thought, their options with the court and they prevailed, with regard to the illegality of the state raiding their dollars. So I do not think that there will be enough of a coalition or a group of interest in Sacramento to carry forward with the governor's proposal. In addition to that, I think obviously we want to be very careful, because although on paper, the initial year's numbers might suggest that it would become close to a wash for cities and counties, in reality, I think we need to think about that the difference between the two funding sources, and as I said, one more secure from raids and taking than the other, but also what has borne true in recent years is that the HUTA dollars do not fare as well in certain economic times. Grow as fast, I should say. So it's a trade that is not one obviously that we want to engage in. And I think, if nothing else, because of our close call on HUTA for the current budget year, is, if I may, I would suggest to you that this certainly bears witness to the notion that our work is not completed with regard to assuring the stability and sustainability of our local revenue sources, that are allocated for the state.

>> Mayor Reed: Okay, well, our work is not done, that's for sure. What I would like to do is modify the agenda just a little bit and take up the question of discussing sending members of the city council to meet with state legislators regarding impacts of the state budget crisis, item just as part of this report. This is a suggestion from Councilmember Pyle is that we ought to send a delegation of councilmembers to Sacramento probably in February, to meet with our representatives, to emphasize the importance of not taking our money. So why don't we talk about that now, as long as Roxann is here, so we can think about that. And the reason I asked to have it on the agenda today was, let's decide if this is a good idea and how we might do it and what might happen. Councilmember Pyle has done a lot of work trying to figure out what it is we might do and how we might do it. And if that's okay with the committee, I think we'll talk about it right now.

>> Roxann Miller: Thank you.

>> Mayor Reed: Certainly germane to the report here. Councilmember Pyle.

>> Councilmember Pyle: Thank you. Are I think one of the problems that we need to address is the fact that Sacramento doesn't always understand the effect of the cuts that have been made. Because they don't necessarily talk to legislators within any given areas. So the purpose of the trip is to present a powerful, coordinated and focused message to state legislators regarding the impacts that the state budget has on the City of San José. Not only now, but in reference to future earnings. And this would be achieved by taking San José councilmembers that wish to go, meeting in person with our state elected officials in the assembly and senate to present a one page documents about the impacts of the state budget. We have decided on February 10th thanks to the wonderful leadership of Roxann and Betsy because it is after the presentation of the governor's proposed budget and there would be more time to basically kick it out and Betsy and Roxann would have the time to review the budget and the effect on our city, and it does, however, conflict with the rules committee meeting for the next Tuesday, but it was cancelled, I believe, due to presidents' holiday weekend. We can talk about that later. We're working on getting prepared for the trip. Mayor, you've been very busy going to not only Washington but to Sacramento as well. And that's great. But my intent is to create more of a layering effect, you go, councilmembers go, and I understand labor is going to be going up later in February. So the more layering there is, the better. Because I think it needs to be heard and heard and heard. So that's -- that's the intent, we're talking in terms of councilmembers who chair a particular committee, rules, economic development, transportation, et cetera. So we're hoping to have well-put-together messages that are heard, no more than two minutes per person. Because that's probably enough. That's a good amount of

time when you're presenting facts. So I've already asked, if you'd be interested in going. So I hope that we can put this together as quickly as possible. I'm not proposing using city money. I think we can take care of our own transportation compensations and our own lunch and that kind of thing so that will take the majorities of a day to do this and do it right. I'm very appreciative of your help. Thank you so much.

>> Betsy Shotwell: We're coordinating with redevelopment staff, finance and all to help with the briefing sheets as we put together the impacts of what is happening in each of our delegation' district so we can see the incredible efforts that have taken place. And what this means economically if you pull the plug, bottom line.

>> Councilmember Pyle: Exactly.

>> Mayor Reed: I think this is a good idea because basically league of California cities is active and I'm active but they don't necessarily hear from the councilmembers except more informally, and I think adding another layer of contact with our elected representatives could be helpful. As they hear from us, who are on the ground, feeling the impacts of their decisions, it's just another way to reinforce, don't take our money. And I think this could be helpful if we have people that are interested in going. That's really the question, first are there councilmembers who are willing to take the day to go. And staff can prepare the materials and the briefing points and the one page so we're all talking from the same script and the same page. That can all happen. But the real question is are we going to have enough councilmembers that are willing to go to make it an expedition. Probably bring it up and see if the rules committee thinks this is a good idea to try pursuing, try to get it organized, we don't need to put it on the council agenda for approval or anything like that, it really is a matter of logistics, if the councilmembers think it's okay to go, I think I would by e-mail ask the councilmembers if they're interested to go, give people a chance to volunteer for it. But we're designing this as we go so wanted to bring it here to get some thoughts from Pete and Judy as well.

>> Councilmember Chirco: I think it's a good idea because if we don't speak for ourselves others will speak for us. And I think it's critical that our voice be heard. That's our job. We're residents of this community. And we noticed to speak for our community. So I think it's a great idea, and I would be glad to go.

>> Councilmember Constant: I concur. Is the target of who are going to be talked to just the Bay Area delegation? Are you talking to the leadership in each party?

>> Councilmember Pyle: I'm so glad you brought that up. That would be all of the representatives, whether they be senate or whether they be assembly, who represent San José itself.

>> Mayor Reed: And there are ten of them.

>> Councilmember Pyle: Yes.

>> Mayor Reed: That's a pretty good task for a one-day trip.

>> Councilmember Pyle: That's why it's going to take a day.

>> Mayor Reed: Most of us don't know there are assembly members who have a piece of San José, some small and some quite large.

>> Roxann Miller: If I may, before your coming to Sacramento, we will have by the end of the week the first cuts of the impacts on the budget to San José so, we will be circulating that. And then secondly, I think it's always important that we also view ourselves in the larger context of the coalitions that we've built, the affiliations that each you have with leadership in the community. I'd like to, if we could, view this as a starting point for you, recognizing that we are going to get very strategic, in how we approach this, and would certainly welcome, as the mayor knows, participation with the leadership, as well as the special interest, and of course, the Governor's Office and the executive branch. So it's all there for us to deal with.

>> Councilmember Pyle: And we will also be working on some good publicity on this because the City of San José knows we are out there too, we are trying to fight for them.

>> Mayor Reed: What I would suggest is a motion by the Rules Committee to say, right on, I guess, and move ahead to do this, trying to organize around a date of February 10th. Although that date always has to be flexible, any time you're dealing with the legislature. You never know for sure if they're going to be there. So anything else on this?

>> Councilmember Chirco: I would make that motion.

>> Councilmember Constant: Second.

>> Mayor Reed: We have a motion and second to approve. All in favor, opposed, none opposed, that's approved. Thank you very much for the report, state and federal, better news from federal than state but

we take our good news where we find it. We need to set a meeting schedule, special council meeting for April 12th, for the purpose of interviewing applicants for the Planning Commission.

>> Councilmember Chirco: Move approval.

>> Councilmember Pyle: Second.

>> Mayor Reed: Any other applicants we would throw into that or just Planning Commissioners?

>> Lee Price: Mr. Mayor, no, we don't anticipate the need to interview for any other boards or commissions. I might just add that we are currently recruiting for three positions on the Planning Commission. One incumbent is eligible to reapply, and would be eligible to re-- be reappointed based on the council's decision, that is Hope Cahan, the other two incumbents are termed out, that's Javier Campos and Jim Zito. So three seats on the commission, we can't tell you how many applicants we have by the end of the month. It closes last Friday in February. Once we do the conflict of interest review and the other screening we'll be ready to bring those applicants forward for your review and consideration.

>> Mayor Reed: This says council chambers, but we would do it in here, I presume.

>> Lee Price: Actually, the committee rooms are not available that day, but we had already prebooked the council chambers, as well as put a hold on your calendars. So chambers are available and I suggest we just go ahead and meet in chambers. We'll still conduct the interviews in the same similar way where we would sequester if you will the applicants until it's time for their interviews so they don't hear the questions ahead of time.

>> Mayor Reed: Okay. We have a motion to approve. All in favor? Opposed, none opposed, that's approved. Anything from the public record the committee wishes to pull to discuss?

>> Councilmember Constant: Motion to note and file.

>> Councilmember Chirco: Second.

>> Mayor Reed: We have a motion to note and file. All in favor opposed, none opposed, that's approved. We have no appointments to boards, commissions and committees. So we're going to take up -- I had to jump the order, not everybody heard that. You may want to go back to your office, Sharon. Because we're going to take open forum, I think there are quite a few people here who want to speak. We'll do the open forum now. Right now I have only three cards. Councilmember Oliverio is here. I understand you can't be here next week.

>> Councilmember Oliverio: Correct, I'll be in Sacramento with the governor.

>> Mayor Reed: And so --

>> Councilmember Oliverio: So thank you. I'll speak as public comment. Number one, I thank chair Mayor Reed? As many people are gathered here, they came to the November 18th meeting, when they were told by the Rules Committee and directed that this would be an update on January 13th. However, that did not happen for a strange series of events which really presents itself to the public as really an awkward situation when something gets dropped from the agenda at the last minute, especially when so many people are gathered, and this is really their probably touched City Hall. So for all those in the audience if you do wish to speak and be noted on the public record please fill out a yellow card, please submit it, you just have to put your name on it. With that said, outside of the awkwardness of dropping the item at the last minute, I'm looking forward to January 27th when the staff will give a needs assessment on the workload assessment, pardon me, on bringing this back to Rules. I also look forwards to this being a council conversation. Since the first writing of the memo to now, we've gone from a couple of places that have been open to several. And I think it's very important for a council discussion to happen about whether or not we want to manage, regulate and tax medicinal facilities that are legal by state law. With that said, the council needs to have the conversation of where we want them, where we don't want them, how many we should have and what is the fee tax structure we should have to pay for these types of services. With that said we want to be ahead of the issue. We don't want to be behind it. We can simply look to many other cities in the state like Los Angeles that had a proliferation to other cities that are in litigation going through the court system now, which inevitably is a cost to those cities because the legal team from those cities is having to fight court cases. So again, we look forward to January 27th, when this will be heard again and ideally we can get this to the city council. Thank you, Rules Committee.

>> Mayor Reed: Marlene Harden, Hector Gonzales, Lisa Roberts.

>> Hi, I'm Marlene harden. I'm here for the same ordinance. My questions have been answered but I just want to know why it was postponed, what were the concerns and why do we have to wait until the 27th to hear this again and is it going to full council?

>> Mayor Reed: Let me ask the City Attorney to talk about the issue.

>> City Attorney Doyle: The item wasn't posted on the agenda 72 hours in advance. Under state law, the Brown Act as we call it, an item must be posted on a public agenda 72 hours in advance of a meeting in order for the item to be heard. The item was not properly posted by Friday. It was put on an amended agenda Monday but that's only 48 hours, it wasn't 72 hours. So it's a technical point but we don't have any discretion to waive the Brown Act in this case and we have to live by the state law requirement.

>> Okay, so you don't think it will be delayed again on the 27th?

>> City Attorney Doyle: I think we've got the message, we'll make very sure that it gets often the agenda properly.

>> Because many of us miss work and it's very important to us.

>> City Attorney Doyle: We understand.

>> Okay, thank you.

>> Mayor Reed: Hector Gonzales.

>> Good afternoon, councilmembers, Mayor Reed, my name is Hector Gonzales. President of arc healing center. Again I'm similar to the last two speakers, I wanted to just show my concern and disappointment that we're not talking about this on an official level this afternoon. I did draft a letter for the city attorney's office. Mr. Doyle has answered one of the questions, somewhat, thank you for that. That was my first question, as well. And I have a custom of others here. I put it in writing just to make sure it got into your hands. I have copies to you all as well.

>> Mayor Reed: Make sure you do --

>> I will definitely do that. I want to follow up on an e-mail I sent to you all as well as other city officials regarding a February 8th event that is being put on at the Santa Clara law school. A panel of professional speakers is coming up or really coming down from San Francisco including Larry Kessler who is currently running the medical cannabis program in San Francisco. I'm just extending the invitation on record and hope that you all can make it. I think it will be pretty informative. It is a good place to ask questions and get more information, thank you.

>> Mayor Reed: Lisa Roberts and then David Wall.

>> Good afternoon, mayor, councilmembers, and also, other members of the Rules Committee. I am Lisa Roberts. I am an attorney and I am also co-owner of the building 830 the Alameda. Which is right next to a planned facility for the distribution of medical marijuana. I have already written a number of letters to the city at least one letter to the mayor's as well as some e-mails. I have additional copies of those, as well. I also thank all of you for having the open forum early. I prepared a letter as well, in case I would have to leave before that opportunity arose. So I thank you that I'm able to speak in person, as well. I'd like to give you the letter. In addition to the points, I believe that some of you have already seen in my letters, I'd like to make one -- a few primary points. At this point, as I understand it, the initial point was made last fall or early December, at that point in time there were just a few dispensaries operating in San José. As of December 21st we were informed by city officials that there were then eight approximately dispensaries operating at that point in time. That number has increased. I was told by someone in the industry that there are at least 20 that are operating now. And I was told by the person who was planning to open the one next to me, Mr. James Sooner of Gilroy, that he anticipating that there are going to be 30 in very short order. And I think that probably is underestimated. As has been reported in the San José mercury, just the fact that a proposal was made to make it legal to sell cannabis in San José, has been viewed as a welcome mat. And that's quoted from the Mercury News, for people to come in and try to open as soon as possible. Based on my conversations with Mr. Sooner, who was also associated with the operators in Gilroy, he is planning to open as soon as possible and doesn't believe that he is currently under any regulations. What I would like the --

>> Mayor Reed: Sorry your time is up.

>> A moratorium please.

>> Mayor Reed: And make sure you submit the letter, if it's new so we get it. David Wall. Yeah, if you could bring it over to Nick, could you get the letter please.

>> David Wall: My testimony is concerned with, first, a ceremonial matter, Mr. Mayor, I was at the Water District yesterday, my second home away from home. There's a little presentation that I delivered to you about what they're doing. Second, there's some photographs, Vice Mayor Chirco, even though the owl pictures, show the owl on the fence, as I stand here today I swear before our honorable City Attorney, it's truthful that owl was hatched on a billboard sign. And there was actually two of them that were perched. Next, this sign ordinance should cause your blood to boil. Primarily, the director of PVC has had at least a year before the Community and Economic Development Committee come up with a sign

ordinance. What we saw yesterday, decorum, polite societal will not allow me to use the analytical descriptors to define the work product that was put forth to these honorable elected officials. I am unsympathetic and, if anything, you should take a pencil in my opinion or a pen with a blank piece of paper, and hand it to the director of PVCD with a kind gesture in saying, please write your resignation before the end of working day. Thank you.

>> Mayor Reed: Anybody else wish to speak under open forum? Any topic that's not on the agenda? Okay, we'll move on to -- back into the regular agenda order, the next item would be approve the auditor's office monthly report for December of '09.

>> Sharon Erickson: I was busy involved in something else, I'm sorry couple you have before you the report for the month of December of 2009. During the month of December we issued a report of pensionable earnings and time reporting. That went to the council yesterday. We're also presenting that report to the two retirement boards, some went to police and fire last week and will be presenting at federated tomorrow morning. In addition, we attended the bond oversight committee meeting, so the parks and recreation bond fund, the branch library bond project oversight committee and the library parcel tax oversight committees with those audits so they're fully apprised of what we had found there. Assignments in progress, later this week, or I guess it's tomorrow already, we'll be issuing reports on civilian opportunities in the police department and also our annual review Team San José. Those go to the public safety, finance and strategic support committee next week. In addition, we are trying to complete the service efforts and accomplishments report for 2008-2009, to have that available for the budget priority setting session with the community leaders on January 23rd. I think that kind of summarizes December.

>> Mayor Reed: Had a question regarding the audit of civilianization opportunities in the police department, is that still, you expect to release that tomorrow or the next day?

>> Sharon Erickson: Yes, it will come out with the public safety committee packet.

>> Mayor Reed: Anybody else, Councilmember Constant?

>> Councilmember Constant: On the last page, the matrix of assignments not yet started, are these in particular order or are they just the assignments kind of random?

>> Sharon Erickson: Actually they're not in any kind of order. They're kind of random.

>> Councilmember Constant: The three that I'm concerned with, I don't know about my colleagues, but I think the police secondary employment one should rise to the top. Take home vehicles and personnel costs.

>> Sharon Erickson: Got it, okay.

>> Councilmember Constant: I know we've talked about this in the past. The secondary employment, just because of the large impact that program has citywide, and some of the issues that have been coming up lately within the police department at the HP arena and some of the other larger secondary employers, I think now is a good time to be taking the good look at that. And then the other two, the take-home vehicles and the personnel costs just because those I think given the budget time line and some of the decisions we're faced with making in the short term, those would be critical in helping us inform our decisions going forward.

>> Sharon Erickson: Okay.

>> Mayor Reed: Any other comments?

>> Councilmember Constant: Personnel cost.

>> Sharon Erickson: And quite honestly, that kind of feedback is real helpful to me on what we should be taking up next because we do have staff coming up free. I know the financial scan of community based organizations staff has asked that we move that to a faster track, that they have that information available for budget decisions this -- within the next few months. So we will be taking that up. And the other one, I was going back and forth between which to take up next, was pension and retiree medical costs, or the personnel costs. We'll weigh those two.

>> Councilmember Constant: And my only reason to put one ahead of the other is, the pension and health costs as a longer term resolution for us but personnel cost might be something we can take action on in the budget process. That was my own kind of logic if you call it that behind it.

>> Mayor Reed: Any other comments?

>> Councilmember Chirco: I have a comment.

>> Mayor Reed: Vice Mayor.

>> Councilmember Chirco: It has to do with the information, the I.T. general controls, and you know one struggles so much with limited budget, and I'm not sure what was the outcome, you know, the goal with

that. But I know we continue to struggle with not enough money, to try and deal with our I.T. infrastructure, so that's one that --

>> Sharon Erickson: Yeah, those are -- the idea there was, in talking with the director of I.T., looking at the basic controls over our system. So are they secure, at what point do we reach a breaking point on some of these, and for us to go through, and take a thoughtful, more in-depth look at which ones are going to -- are likely to cause us the most grief. I know something that wakes me up at night is, I know several of these systems are Band-Aided, and I'm wanting to get up myself a better understanding. Because you know which ones of these could go down and what would really break us, versus others where we could make do. So that was the thinking behind that.

>> Councilmember Chirco: So that's one that I've heard conversation about over the last few years. So it seems like that, I mean they're all critical, obviously but since that's an ongoing problem and the security of our information is --

>> Mayor Reed: Other comments? Motion?

>> Councilmember Constant: Motion to accept.

>> Councilmember Chirco: Second.

>> Mayor Reed: Motion is to accept the report. All in favor opposed, none opposed, it's done. Thank you, Sharon. Item number H3 is to approve district 1 disability awareness day as a city council sponsored special event and placed on the January 26th council agenda for action.

>> Councilmember Constant: Thank you, mayor. My apologies for doing this sort of delinquently. I just didn't think our event actually required it, and so we've gone through kind of reconciling it and getting this forward so I'd like to make a motion to prove this.

>> Councilmember Pyle: Second.

>> Mayor Reed: Motion is to approve. All in favor opposed, none opposed, that's approved.

>>> Next we'll take up the work plans. And we have memorandums on all of our standing committees and some additional requests for modifications from Councilmember Campos and I think Councilmember Nguyen had some changes. But I'm not sure I have a memo. So let me check and make sure we have all the materials here. So with the Community and Economic Development Committee we have one memorandum from Councilmember Pyle and myself. And for the neighborhood services and education committee we have a memorandum from Councilmember Campos and me, and another supplemental memo from Councilmember Campos on an additional item to add two things. And for transportation and environment committee we have the memorandum from Councilmember Liccardo and me. Public safety finance and strategic support we have a replacement memorandum that made the changes that Councilmember Nguyen wanted to make.

>> And they're all highlighted in yellow-colored, for your reference.

>> Mayor Reed: Okay, so that's the universe to consider here.

>> Councilmember Constant: Mr. Mayor, to confirm, I had two memos from Councilmember Campos, you mentioned one. Just to include all.

>> Mayor Reed: I think you're right, one is community gardens and the other is yes, we can read. So yes, on two items.

>> Councilmember Constant: Can you take a motion en masse on all of these?

>> Mayor Reed: We can. I have a request to speak on one of these. Let's take all the committee requests together, Mr. Wall.

>> David Wall: Which one do you have, there are two cards.

>> Mayor Reed: This one says community gardens.

>> David Wall: What about the other one?

>> Mayor Reed: I don't have -- oh, I have sign ordinance.

>> David Wall: I spoke on that one. That was open forum. There was another one out there.

>> Mayor Reed: Okay, well anyway --

>> David Wall: Here we go. Community gardens, now, we've heard from our learned state Roxann person about the highway tax fees going up. That means inflation's coming. Everything is coming up cost-wise. It is imperative that sustainable agriculture be one of your highest Green Vision priorities or however you want to label it. When people can grow food and have food locally grown, in vast amounts, they won't be spending their money on that type of food. That means that they'll spend their money elsewhere. In addition, you won't -- you can go to Washington, say look what we're doing. You put San José on the map, once again, as the valley of the heart's delight, because of our climate. God gave us a climate to grow things. Now, the sustainable agriculture is the key to the future. Every state in the union,

every state in -- or every city in California will do this. Support this. Embrace it at the schools. Every piece of city property that can be utilized including the water pollution control plant, you'll make a lot of money, and will have a lot of healthy people and I'll tell you in Washington, they'll think, you got to stay here, Mr. Mayor, you got to stay here. Now did you find the other card?

>> Mayor Reed: No, but go ahead and speak on the other item.

>> David Wall: The other card was to give outstanding commendation to Councilmember Pyle. This isn't just a little day trip program. This is a long term program that has two components. It is a battle plan. You have a tactical side of the ledger and a strategic side of the ledger. Both integrated from the state and federal aspects. You Mr. Mayor are outstanding on the federal regards. You're just really good at this. On the stateside, we have to develop this some just not as a short term thing but this is how councils will evolve until we elect people that truly represent their jurisdictions, instead of their own petty self-interests. You wouldn't have to worry about these fundings of these ten people that are supposed to look after San José. You wouldn't have to really worry about Patton Boggs if we had people that really represented our efforts and we all work together as Americans instead of opposing constituents. But this project has to have a complete well thought-out battle plan and it has to be sustainable. And you could tap in fractionizing every city fund because you're going to have the police go up there, you are reconnoitering where to park and that sort of stuff, so you're maximizing these people and holding them accountable. You have a television station, right? You can put those names up, these are the people that don't help us as an idea, thank you.

>> Mayor Reed: That concludes the testimony on all of the committee work plans.

>> Councilmember Constant: I'd like to make a motion to approve the work plans of the Community and Economic Development Committee, the Neighborhood Services and Education committee, the Transportation and Environment Committee, the Public Safety, Finance and Strategic Support committee and the Rules and Open Government Committee.

>> Councilmember Pyle: Second.

>> Mayor Reed: That incorporates the supplemental memorandums.

>> Councilmember Constant: Yes.

>> Excuse me, Mayor, can I just make one comment?

>> Mayor Reed: Yes.

>> Staff wanted me to clarify. Under February we have the crime prevention service delivery model.

>> Mayor Reed: For which committee?

>> For the PSFSS, Public Safety committee. And in December that was deferred to January, but it's ready to come back in February after consulting with the consultant. Wanted to make sure that the committee and the public was aware. It's the fourth item under there.

>> Mayor Reed: Okay. So that date of that February meeting would be, February 18th, in case anybody is watching these proceedings.

>> Correct.

>> Mayor Reed: Anything else? We have a motion to approve? All in favor, opposed, none opposed, work plans are approved. We have, as far as I know, nothing under our open government initiatives. We've already had the open forum. Anything else, committee? Okay, we're adjourned.