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>> Councilmember Constant: Good afternoon everybody. We'll get started. Welcome to the Public Safety, Finance and Strategic Support committee meeting on August 18th, 2011. Roll call, looks like we have everyone here, except for Pierluigi Oliverio, who I'm sure will be here shortly. Review of work plan, we have two items that have a requested deferral till the 17th, the first one to the 17th of November, and the second one to the 15th of September. Any discussion or concerns with that? What I'd like to do is get a motion on that and while we're doing that, also get a sunshine waiver at the same time for item D-9 on today's agenda.

>> Councilmember Nguyen: So moved.

>> Ed Shikada: I'm sorry, Mr. Chair, if I could also add to the sunshine waiver, another report that was distributed separately. So for no other reason than the sake of form of D-1, legislative item.

>> Councilmember Constant: I assume the motion is amended to include D-1. I have a second from you Mr. Chu.

>> Councilmember Chu: Yes.

>> Councilmember Constant: All right. All in favor, any opposed, that passes. Item C is our consent calendar. Anyone like to pull the sole item on the consent calendar? If not I'll take a motion.

>> Councilmember Nguyen: Motion to approve.

>> Councilmember Constant: All in favor, any opposed, that carries unanimously. That will move us on to item D 1 which is a report on key legislative items. We have Betsy with us today, and we have your rather lengthy report here. If there's any highlights you'd like to give us.

>> Betsy Shotwell: Thank you, Mr. Chair, members of the committee, Betsy Shotwell, Director of Intergovernmental Relations. I would like to just add a brief update to pages or page 7 of the report, specifically

two pieces of legislation that went to the Rules Committee yesterday with a recommendation to oppose. It will be going to the full council next Tuesday. And that is AB 646, Atkins, and the very last bill on the page, SB 931, Vargas. So with that, I'll be happy to answer any questions.

>> Councilmember Constant: Thank you can, do we have any questions from committee members?

>> Councilmember Nguyen: Nope.

>> Councilmember Constant: Motion to --

>> Councilmember Nguyen: Motion and second to approve.

>> Councilmember Constant: Thank you, all in favor? Any opposition, that passes. Move on to item number D-2 which is fiscal year 2010-11 fourth quarter financial reports. We'll give them a moment to get situated. Before you get started I want to welcome two of you in your new roles. We look forward to be working with you as we go forward throughout this year.

>> Thank you very much. Good afternoon, chair and members of the council, we have the finance quarterly report, before you today. According to the City's investment policy, we're required to give you an oral presentation on the second panned fourth quarter reports. So today we're presenting the fourth quarter report. In terms of the other two quarterly reports in the packet, the debt management report and the revenue collections program, if you have specific questions on those, we have staff in the audience that can answer those questions. We will do a more detailed presentation on the debt management program when we bring forward the annual -- comprehensive annual report later this fall. So with us today is Charlene Sun, is our debt administrator sitting in the audience, along with Pat Sulwicky to assist and answer any of those questions. Making the presentation we have Maria Obert who is recently back to the City from the Santa Clara Valley Water District. This is her first opportunity to make a presentation to the full committee. She spent three and a half years at the Water District as the treasury and debt financing officer, and prior that she spent six years with the city in our debt and investment

program. So we are happy to have her back managing the day-to-day investment program. She has a master's degree in international business administration from the University of San Diego, so she's very well qualified to be the steward of our billion dollar investment portfolio. And as part of the presentation, we're also briefly going to talk about the very small change to the investment policy that we are recommending, which is item -- I think it's D on the agenda today, D-4, and that will need to be agendized separately for the city council to approve by resolution, the investment policy on an annual basis.

>> Councilmember Constant: Great. Well, first of all an official welcome back to the City of San José. And then as far as the two separate agenda items you can just roll right into the next item and we'll stop you if we have any questions.

>> Okay, before you have the fourth quarter investment report. This is as of June 30th, 2011. And as you are all well aware, we managed our investment portfolio to meet the City's objectives which are safety, liquidity and yield in that order. We prepare quarterly reports, we place them on line and on -- on our finance department's Website. And also, they get agendized for this committee's meetings. And as Julia mentioned, we do semi annual presentations of the second and fourth quarter pursuant to our city's investment policy. The next slide gives you a summary of the portfolio as of June 30th, 2011. The size of the total portfolio was \$1.094 billion. The earned interest yield was .698%, which while very low, is actually an increase from the previous quarter when we were at .58%. In addition, our weighted average days to maturity increased in the fourth quarter to 376 days from 258 days the prior quarter. The fiscal year net interest earnings for all funds in the portfolio earned about \$8 million for the city. We had no sales of securities and therefore no gains or losses from sales. And there were no exceptions to the investment policy during the fourth quarter. The next slide is a quick overview of the composition of the portfolio. And as you can see, the bulk of our investments are in U.S. government agencies. Those are your Fannie Maes, Freddie Macs, et cetera. We also hold some commercial paper for our short term liquidity purposes as well as investment in LAIF, which is the state's investment portfolio. The next slide talks about our General Fund cash balances. The cash balance increased by \$95 million from the third quarter to \$171 million in the fourth quarter. This is primarily due to our receipt of property tax distributions during the months of April and June. And in compliance with state code our portfolio is structured so that investment maturities and projected revenues are

sufficient to cover anticipated expenditures for the next six months. This slide compares the portfolio yield of the City's portfolio fund 1 which is basically our General Fund. Compares the two to our benchmarks. Our main benchmark is the two year U.S. government agencies and we also compare ourselves a little bit against the LAIF, again the state's investment portfolio. And as you can see, during the fourth quarter we actually inched above the two-year government agencies. And that's in part because we've extended our duration. The investment strategy shifted as we discussed in the December quarterly report. It shifted from a very short term investment to cover liquidity needs to actually invest now in the 18th to 36 month maturity range. During the third and fourth quarter we have placed about \$360 million in this to 36 month maturity range. And the yields that were available for the longer dated maturities resulted in an average purchased yield on the new investments of .98% which also helped increase the yield on our portfolio overall. We will continue matching maturities --

>> Councilmember Constant: Can you move your mic just a little bit closer?

>> Of course I can inch closer. We will continue to match maturities to known expenditures in the next 24 to 36 months. Range we don't want to go much further than that because as you know yields are very low and we don't want to lock ourselves into that longer than we have to. And of course we will continue to maintain our focus on the core mandate on the liquidity and yield. And then we're rolling into the next item on your agenda, the investment policy. As required by state code, we review our investment policy annually and we bring it to the council, first to this committee. We did last year in September, we had an extensive revision of our investment policy together with our investment advisor main street capital and so the only revision we're proposing this time around is an update to the primary dealer's list as reported by the federal reserve bank of New York. The investment policy gets submitted to this committee for review and approval prior to getting agenda'd to a future council meetings. And so to cap this off we basically have two recommendations for you. The first is that the committee accept the fourth quarter investment report. And the second that the committee accept an approve the proposed revision to the City's investment policy and that you direct staff to return to city council with your appropriate resolution and amended documents.

>> Councilmember Constant: Thank you very much. Do any of the committee members have any questions on either D-2 or D-3? Doesn't look like it. I don't see any members of the public but if there's anyone out there that would like to speak, wave. No?

>> Councilmember Nguyen: Motion to approve.

>> Councilmember Constant: A motion and second to accept both item D-2 and D-3. Any discussion? All in favor? Any opposed? Those both pass unanimously. Thank you very much. We will now move into item number D-4 the police department's report on operations and performance.

>> Good afternoon, members of the committee, Dave Cavallaro, deputy chief, bureau field operations. You all have the report in front of you, and obviously with the significant cuts that the department has undertaken, chief Moore felt it was important to message some changes that the department was going to implement in response to some of the lesser significant calls that we respond to typically. So I would expect that there would be numerous questions from the committee, and I'm prepared to answer any that you might have today.

>> Councilmember Constant: Madison.

>> Councilmember Nguyen: Thank you, chair. Just out of curiosity, after the suspension of the helicopter program back in March I was just wondering has the department encountered situations where the use of helicopter would have helicopter the officers to assess a certain situation?

>> Certainly, I don't have any specific examples of that councilmember but I can tell you we are flying the helicopter a couple of times a week. Not only to keep it fully functional and operational but as well as to keep the pilots and observer skills up. As you may be aware, we typically shared the week's flights with Santa Clara County sheriff's helicopter so that is still flying. So between the two agencies, we are up as much as we can be with the helicopter. But I know that there will be occasions where unplanned occasions where we would obviously benefit by having the helicopter up and we don't have that capability at this time.

>> Councilmember Nguyen: Thank you.

>> Councilmember Constant: If I can just expand on that. So since we're still flying it and we still have the personnel, how much are we actually saving by not flying it full time? Or how it was flown before?

>> Well, we're doing it as a collateral, so the officers are assigned to patrol. And as you're aware, we have the whole night each week, so the typical pilot and observer are flying during their whole night. So significant savings would be in fuel, insurance and things like that. As far as personal costs, these individuals are still assigned much like we did to the horse mounted unit.

>> Councilmember Constant: Pierluigi, any questions?

>> Councilmember Oliverio: No, obviously the memo from chief Moore talked about a lot of different things that I think are quality of life issues that are not in regards to violent crime or property crime but still have levels of you know level of angst on any neighborhood street but we're certainly trying to prioritize what we can do. Chief or deputy chief, so being with that these are no longer on the list of items to call on, can you kind of give us a shift of a patrol person today, day in the life?

>> Well, let me say this. We're not telling the community not to call. We would still encourage them to call. That gives us an opportunity to obviously message what we are doing, what we're not doing. But from my perspective as the chief of patrol, what I want to be able to do is have the sergeants have the ability to look at a call that comes in. Maybe the example I'd like to use is a music call, have communications folks who we've coordinated with, drill down a little bit more from the community member calling in. Is it just music, or are there beer bottles being thrown in the street, is there fighting, is there that type of thing going up. That's obviously different than a straight up noise complaint. We want to make sure we get as much detail as we can and allow the sergeants in the field to make that determination if an when they have the resources to respond they can still respond.

>> Councilmember Oliverio: To give you an example based on what you just said. So if there was a report that parents were away and minors were throwing the party and it was sort of loud and out of hand, that would raise to the sergeant's level to go out and check it out.

>> Obviously, minors drinking alcohol is something we would go out and check it out.

>> Councilmember Oliverio: Or if there's a scavenger going through a recycling bin, and the property owner having discussion, and it's escalating, in a yelling match, or the actual person is coming into the front of the home to remove recyclables off the porch, that would escalate to the sergeant's best --

>> Yes, and it's hopeful that by messaging this, our community will understand that as we always tell them it's best not to get involved with people who are doing these things and to call us. But I understand, if the police aren't going to respond then perhaps I'm going to come out there and confront this scavenger and that could lead to some other kind of thing and certainly that we would respond on that.

>> Councilmember Oliverio: But to the chief's memo, we are for example not abandoning the traffic enforcement unit. So police officers are still out X-ed out days per week issuing the tickets for violations of speed?

>> Absolutely. We believe strongly that, in our data shows that we continue to push down the major injury and injury crashes in the city. As a result of our refocus of the traffic enforcement unit on those major crash locations. So we can't do all the things that we were able to do in the past and I think I understand that the residents' concern about the quality of life issues, you know the recyclables and that type of thing but you know at this point until we get other direction perhaps from the council about what maybe we need to reprioritize those things, I think our priorities are pretty much well aligned with what the council wants right now.

>> Councilmember Oliverio: Thank you, deputy chief.

>> Councilmember Constant: Kansen.

>> Councilmember Chu: Thank you, Mr. Chair. Chief, the question regarding to the school liaison unit which was totally eliminated, how many officers was impacted?

>> Initially in our tier 1 and tier 2 proposals we had recommended if we were to cut tier one it would be one sergeant and four officers, leave four officers only in the school liaison unit. I'm not sure exactly how but during the course of the budget process the whole school liaison unit was eliminated even though we only went to tier 1.. So after much discussion with the folks at the schools chief Moore myself and some of the other stakeholders we felt it was important to continue to have officers albeit only four one per division kind of the way we are doing with the crime prevention specialists, one per division, to reach out and do what needs to be done in the schools especially as it relates to gang crime, the recruitment of gang members, the mayor's gang prevention task force climate meetings and those types of things that these folks are integral in and our effectiveness as a police department in making our community safe.

>> Councilmember Chu: So you are going to restore four officers, or are you going to replace it by the school violence and gang? You have four patrol officers assigned to the school officers and gang. I understand last year you had one sergeant and eight officers. That unit got cut by half and on top of that are we going to restore the school liaison units?

>> Okay so I think it's more semantical than anything else. What we chose to do was to take four officers, who would have been saved in tier 1, and leave those four officers or essentially take them back out of patrol where they bid, they are now back in for lack of a better term the school liaison unit being supervised through each of the divisional captains, as well as our metro unit which is doing the all gangs all the time enforcement.

>> Councilmember Chu: Okay. Well, just help me with the math. We have four patrol officers that are responsible for the school violence and gangs, right?

>> The four officers, it may help you. So essentially if you want to look at it from a broader perspective, the school liaison was one sergeant and eight officers before. It is now reconstituted as only four officers.

>> Councilmember Chu: I see, okay. And we called them -- we put them under the category of school violence and gangs?

>> Well, they are school liaison officers, we're still calling them that.

>> Councilmember Chu: Okay because I see there are two separate items, that's why I was confused. I thought we used to have a school liaison unit and the school violence and gang unit.

>> Just the school liaison unit, councilmember.

>> Councilmember Chu: Great, thank you.

>> Councilmember Constant: So chief I have a couple questions. You mentioned messaging. What has the administration done as far as providing guidance on messaging? Because the reports I'm getting from my constituents is that the messaging around inability to respond has been very poor.

>> Well, I've been having my captains as well as the staff in patrol as every committee meeting that they do to advise members at these meetings that the department would be bringing forward some changes in response protocols. And certainly, it's a difficult thing for anyone to really fully comprehend because we have been a full service agency as long as I've been here and while we would still like to provide that service we're not able to do that realistically. Messaging through the council offices probably not as well as it should have been done and community outreach at all the community meetings is the primary way that it was being done.

>> Councilmember Constant: I think what I was getting at is how is the administration guiding the beat patrol officers and how to appropriately deliver messages? Because what I'm getting from my neighbor right down the

street who came over to my house two weeks ago, from constituents that e-mail and call, is that they're getting pretty abrupt comments. This is just the way it is, if you don't like it call the mayor. If you don't like it call the councilmembers. If it happened once or twice I would think that it was an anomaly. Put it seems to be happening with much regularity. At least on my side of town. So specifically, what's been done or is being done to make sure, whether -- have memos gone out, is roll call training happened? What's going on to address those messaging issues?

>> We're addressing it at all the briefings. The memo regarding the changes have gone out, it's been messaged at all the meetings. Maybe some of this is spillover from obviously what we all went through with this budget with the layoffs and some rather hurt feelings and things like that. So certainly we are messaging it from the top down. We probably can certainly do a better job at doing that. Because no one wants to hear that. From my perspective, and some other things in here about the response to accidents, you know there's a lot of folks who are on the side of let's just not do these things at all. But I'm more a believer of provide a level of service so there's at least alternatives for the community. And so I'm sure there are some of our members who are delivering the message you just quoted. And you know that's up to us to deal with that. So I would appreciate knowing or hearing about that from any of you, when you hear those things, and specifically if we know who the specific officers are just to remind them of what their obligations are. We are in public service and we intend to provide an excellent quality of service. If we're not doing that we need to hear about it.

>> Councilmember Constant: And I think you also mentioned the delivery of the messaging through the neighborhood association meetings. But I can tell you I've also received a lot of complaints about officers not coming to association meetings. In fact we had a neighborhood right on the edge of San José, in Campbell, and it was a multihour event. It was like an all day Saturday type event. And during that entire time not one patrol officer came because they were told clearly, we didn't have the staff to send them. But nine Campbell police officers came throughout the day. And I just want to make sure that the neighborhood associations, the residents aren't paying the price by not getting people to come support events just because. And in this one particular case, I checked and there were units available on 10-8 during a large significant portion of the time. So I guess what I'm

asking is if there can be something tangibly messaged out to the patrol officers, on some expectations of messaging and how they support neighborhood associations.

>> Absolutely. And I think what would also be helpful from my perspective is, a lot of time the community groups, we have divisional captains who are extremely responsible to all the council offices as well as the community groups. If they're not getting what their expectation is regarding that they need to contact the captain and they can get them e-mail, leave a message for them and I think that's a better way. We're trying to make sure the process is the same for everybody so everybody has one point of contact.

>> Councilmember Constant: Then changing lanes eligibility. With the budget, and the reductions in positions, my understanding and I'm having a hard time reconciling how we're saving money if in fact we're doing this, is that while we've eliminated some of the supervisory positions in the budget that there's still people filling those positions in an acting capacity which means they get paid as if they were that rank. So I've been having a hard time reconciling how do we actually save money in the budget if we have eliminated these positions and went through the budget process but there are still bodies occupying those positions and being paid in that acting position. So can you illuminate us on how many of that type of stuff might be happening?

>> I think there is some savings in the difference in the rate. As opposed to someone who's at top step in a rank versus someone who's in an acting capacity. But I will tell you at this current point in time, we have three acting captains, so those captains' positions are not filled. One of our other captains will be leaving for the D.A.'s office I believe by the end of the month so more than likely there will be an acting captain. Talking to chief Moore about it from his perspective he realizes that there's going to be an opportunity to promote but when you're laying off 70 cops how do you I think justify in his mind's eye, how can I promote people when I'm laying off people? It's sort of a difficult thing to deal with. But that's my understanding of how the savings are. Obviously, he knows, that he's going to have to do some promotions and we're expecting to do that. He's interviewed all the captains and deputy chiefs regarding you know when we're going to do that how soon and how many. So we're walking a very, very tight line right now. And I can tell you that you know the supervision issue, if we only have one lieutenant watching the city at nighttime and there's one event and typically a homicide, that lieutenant now has to find a senior

experienced sergeant to run the city while he or she is managing that homicide scene. So we are at a point where you know on a Friday or Saturday night we're in a position where things if many things happen at once, you know the city may only have a half a dozen officers who are available to respond throughout the city for calls for service. So --

>> Councilmember Constant: And I'm well aware of that and I think the reason I'm asking this is not because I don't think you should have those people in those positions because I know they're necessary. But I think it would be very useful for the council to see exactly how many of those situations have occurred or will occur, because the illusion, I think, is that these positions aren't there and we're saving all this money, when in fact we're saving a marginal amount of money. That money has to come from your budget somewhere. We didn't allocate it for let's just pick whatever rank, a captain, but you have somebody in active captain. So you're allocating some money there that's coming from somewhere else that you're having to scrimp in the department. Whether it is overtime budget or this budget or you're waiting on some equipment purchases, and I think that we need to fully inform the council so that we don't end up where we are in this budget cycle where we had the chief telling us I can't do this job but we passed the budget that said you had to do the job. And then now your -- we're not really getting if real savings that we thought we were getting because it's a mission critical thing that we have to do. So I'm not sure how best we can get that information back. And perhaps either an update at our next meeting or an information memo, whatever you think in consultation with chief Moore would be the appropriate way to bring that. Because I think it's something we have to highlight, because we have to police the city. There's a cost to it. So taking out of the budget and saying we saved money if we're not saving money I'm not comfortable with that. And I think we need to make sure that there's full visibility on what we're really doing so that people understand what we need to run our city.

>> Very good.

>> Councilmember Constant: And then my final question, and I'm sorry I'm going on so long, is in relation to the reserves. I understand that there's been a change in how we are utilizing reserves on patrol, specifically on how they're logging in. They're no longer logging in as two man or two person patrol units and we're no longer

dispatching those units as if they have two officers in the car even though there are two officers in the car. And I'm concerned about that because I know that that has been a standard practice for 30 or 40 years and it seemed to have changed just in the last month or so. And I'd like to know why.

>> I'm not sure if that's exactly what is occurring, councilmember. As you may be aware, chief Moore issued a directive sort of revamping the reserve unit to what it was to what it currently is. So many of the laid off officers have joined the reserves when they separated from city service they went right into the reserve program. They're required to work 16 hours per month. Ten of those hours which have to be in a beat patrol capacity filling a beat with another officer. Obviously, you're aware of the labor issues regarding the POA's position on this. So they are not allowed to work solo beat officer, respond to calls by themselves except on reserve relief days. So that's the thing that I'm aware of. Now, I think what you're referring to perhaps is there were some sergeants who were putting them in as two-person cars, you know 62 or king 2 or what have you. The reality is they are responding as a one-person car and so the change was that they should be listed as a one person car even though there's a regular officer and a reserve in there. That's the change.

>> Councilmember Constant: So I guess I don't understand why that change after 30 years of recognizing reserves as an officer, and I do -- I did receive a copy of the e-mail that was sent out to the reserves and I understand it's been read multiple times from the briefing binder. If we have two people who are in a car, and the reserve is a level 1 reserve, both authorized under state law and under all of our policies to be police officers, why are we not dispatching them as a two-man car? Why aren't we recognizing them as a two-man car. It seems like we are not utilizing our resources.

>> I don't know that it's not utilizing our resources properly and I don't have the detail to tell you. But I suspect that if it is a two person reserve call, and there is a call that normally would require two, they may be dispatching two but ultimately if the other man gets there and handles it there's no reason for the other car to respond. It's a tenuous labor issue as you're aware.

>> Councilmember Constant: It shouldn't be a labor issue if it is, and if it is a labor issue we should be informed of it. Because three months ago before we passed the budget it wasn't a labor issue. 20 years ago, 30 years ago, it wasn't a labor issue. And it seems like someone fabricated a labor issue out of something when we have this practice of doing it and I would argue it is an issue of resources, if a month ago, you could send a two-person car out on a response, and today, you send a two-person car and a one-person car on the same response when we have less resources. To me, that is not allocating the resources appropriately. So I'd like some more information on that.

>> Okay.

>> Councilmember Constant: Because if -- I just don't see how something can all of a sudden become an issue after 30 or 40 years. And it just seems to have been something that's unofficially officially done. There's been no memorandum on it but everyone's being instructed to operate that way. Some of the messaging that I've seen on it has been clear that this decision was made by somebody outside of the chief's office that this was a decision made by the labor union that this is the way things are going to be. In fact one of the e-mails that I have specifically says that. And I'm just concerned about that. So I'd like some more information on that, perhaps I think that one I'd like to see in a actual memorandum.

>> Okay.

>> Councilmember Constant: Anything else from my colleagues? Go ahead.

>> Councilmember Oliverio: Thank you, your comments Councilmember Constant reminded me of something actually on some of the reverse on the neighborhood associations. I think I've seen some police officers come and attend and stay for the whole meeting and I think that sort of -- doesn't more than likely come in and give the report to the community and I think go pack to patrol is important. Because I think staying there that whole time you have time or we don't really have a shortage of police officers. Number two, I think it's important that the captains communicate with the council offices. Because councilmembers are the elected representatives for the

100,000 people or so but not all associations are representative of the communities they represent. You know, an association might have four people that represents several thousand people, doesn't really constitute the message. So I think it's important you know stepping back to the original memo that came out that it really needs to be communicated with the council offices. And you know I'd be happy to point in the direction of where they should spend their time because going to a meeting with four people versus I could send them to a meeting with 50 people, that would be much better use of their 15 minutes than to be on patrol. So I would throw that out there.

>> Absolutely.

>> Councilmember Oliverio: But if it continues the way it continues it's not the best use of time. And then the other question is that for the police officers that were laid off I'm very happy that they're getting the off duty jobs first priority, I think that's an excellent thing. And then I was told that the firefighter positions that were vacant from the -- we had laid off 49, 22 came back, we had a vacancy on those, that's our police officers that were laid off would have the first priority to applying to those firefighters positions because they're actually more qualified than the actual other applicants. Can you give me a status on that?

>> I do not believe that has come to pass, actually.

>> Councilmember Oliverio: So you are telling me that our police officers that were laid off are not given the first opportunity to apply for those vacant fire positions?

>> Not that I'm aware of. However I will tell you that as part of our process, for filling vacancies within the police department, we hired I want to say it was six for our records positions and another I want to say eight or nine for our dispatch positions. So there's 15 there, and then most recently, as of last week, I believe, we reinstated one sergeant, and I notified seven officers today that we would rehire them back, due to some retirements as well as some folks who have chosen to go to work for other police departments.

>> Councilmember Oliverio: So what's that total chief?

>> 22.

>> Councilmember Oliverio: 22 so technically now we've laid off 44 outside the ones that found work in other agencies.

>> Yes but what I remind folks of is the total amount of police officers on the street has not changed. It's still about 1100.

>> Councilmember Oliverio: At least those 22 have a paycheck, outside of they're not in a patrol uniform.

>> Absolutely.

>> Councilmember Oliverio: But could city management comment on this? Because I was told by the fire chief that they had met with Chief Moore and that this was going to be something that we were going to do to give first opportunity for these other laid-off police officers to look at becoming a firefighter.

>> Ed Shikada: Councilmember I also had not heard that so I will need to check into it and get back to you and members of the committee.

>> Councilmember Oliverio: There's no one here from the fire department. No I don't see anyone.

>> Actually I was aware of that conversation. Chief McDonald and Chief Moore did speak about it but what I'm telling you today is I'm not sure if that has come to pass or not. I don't know if they filled the positions from elsewhere or if any of our folks have applied.

>> Councilmember Oliverio: No there certainly was an opportunity to fill the positions from people that were qualified applicants in the past. But qualified applicants in the past is not the same thing to me as a laid off police officer. I would give them the first opportunity to have that job or any other qualified city employee who was laid off rather than someone who hasn't ever worked for the city. Didn't seem like it was too much of a hardship because at the end of the day, a qualified police candidate can more than well do the qualified position of the fire department. Thank you.

>> Councilmember Nguyen: Yes, just want to make a motion to accept the report, with the two follow-up items requested busy the chair.

>> Councilmember Oliverio: Second.

>> Councilmember Constant: Thank you. Any discussion? Anyone from the audience care to speak on this issue? All in favor? Any opposed? That motion carries, thank you chief. Our next item is the monthly report on Bay Area Regional Interoperability Communications System. And we have Michelle here. So as Michelle is walking over, today we're going to talk about BayRICS and get a monthly report from BayRICS. But I had an opportunity to speak with Michelle and also, with Ed Shikada, about as we see this issue on a monthly basis on our committee, I'd like to expand with the committee's agreement, concurrence, expand the discussion to be all interoperable Public Safety related issues. Because we have SVRIA, which Councilmember Oliverio and I sit on, we have the UASI issues, we have BayRICS, we have all these different moving parts. And rather than having to amend our agendas or add items and go to Rules for work plan changes and all that, I think if we just broaden the language on our agenda to be Public Safety, regional and local communication issues or something of that nature, then we can comfortably talk about any of them. Then we can make a decision at the end. Michelle.

>> Thank you, Mr. Chair, and members of the committee. Chris Godley has prepared a report on where things are at with the BayRICS JPA. We held our first meeting, and we will meet again on Monday, twice in this month because there are so many issues pending before the committee. Chris regrets not being here he is actually still at the UASI approval authority meeting today and dealing with critical issues that are occurring at the time UASI

board today. So we do plan on, next Monday, there are two major items on the BayRICS JPA board agenda. One is selection or a policy recommendation on a business model for the relationship with Motorola to build the bay web broadband system. This is sort of the fundamental first piece before they can negotiate a contract with Motorola. If the board does not choose one of these business models, you know, or depending on which one they choose, it could have implication for how the rest of the contract is negotiated. The other piece is an update on the FCC license for the 700 megahertz waiver that originally was obtained by San José, Oakland and San Francisco. There is -- it's primarily an update item. The three cities have been working with the FCC to fix the problems that developed with that -- with the lease. And we have gotten very positive response on that. And we have learned today that the UASI approval authority authorized spending UASI dollars to help with the legal costs related to that lease. So that was some good news.

>> Councilmember Constant: Great, and congratulations on being selected vice chair. Or condolences, whichever you believe is most appropriate.

>> Thank you.

>> Councilmember Constant: Comments from the committee or questions? Madison.

>> Councilmember Nguyen: Yes, I just wanted to concur with the chair that we should have an opportunity and be flexible with our discussion in future meetings. I think that's really applicable to this committee. So I make a motion to accept the report, and that for future meetings, we can talk about public safety issues as well as any issues that relate to the BayRICS and other communications.

>> Councilmember Constant: Great. Do we have a second? Okay, we got a second. Ed.

>> Ed Shikada: Mr. Chair, members of the committee, as far as broadening the discussion topic, I will certainly weigh in as someone who's trying to understand it myself of late, that I think it would be very helpful for us to have that comprehensive look at it. I think for the purpose of the work plan, and knowledge of the rest of the committee

why don't we as staff bring forward an item to rules just acknowledging that, that in new monthly meetings that we will describe it accordingly.

>> Councilmember Constant: I think that would be perfect. Pierluigi, anything to add?

>> Councilmember Oliverio: No.

>> Councilmember Constant: Kansen? Anyone from the public like to speak on this issue? We have a motion and second. All in favor. Any opposed? That motion carries. Thanks Michelle. Our next three items are with the auditor. Welcome, Sharon. Our first item is the audit of the American recovery and reinvestment act. Followed by traffic citation revenue, followed by the monthly report of activities. And can you mix up the order if you'd like but they're all yours.

>> Sharon Erickson: Well why don't we just go 1 to 3. That will work for me. Sharon Erickson, City Auditor. You have before you first the audit of recovery act funds. This is the third recovery act audit that my office has conducted. The city has received and spent a total of -- the city has spent a total of \$67 million in recovery act funds. We've received at least \$63 million that's been reimbursed to date by federal, state or county agencies. The City's been awarded a total of almost \$111 million in grants overall. The summary of those if you'd like a cheat-sheet is page 3 of our report. Which also shows the jobs created under the recovery act to date as of June 30th, 2011 at 1050. One of the things that we did find, when we went in to do this audit this time, is that the City's recovery act funded programs have seen a substantial number of compliance reviews or audits by outside agencies. We provided a complete list of those audits and reviews on pages 8 and 9 of the reports. Each city department has had at least one review. Some have had multiple reviews in the last two years. The completed audit reports and compliance reports completed by other agencies have not identified any disallowed uses of recovery act funds that would require any kind of repayment. To us, that's the key barometer of success here. My staff also audited three separate programs that are pretty much completed. For compliance with their goals and objectives. Work2Future was one of those programs. Work2Future has successfully implemented several recovery act programs. Spending a total of \$14.4 million in funding. Recovery act funds allowed Work2Future to

serve 5,000 adults and dislocated workers and provide summer employment for up to -- for 1700 youth. I did want to point out, however, that the local economy has been very hard hit in the recession. One of the things that we did include on page 14 of your report is a graphic showing the total number of unemployed persons in the local area as of May 2011, just to give context to how many people we were able to help with recovery act money, there were a total of 63,000 unemployed persons in the area at that time. The second program that we looked at was the City's Department of Transportation spending of recovery act funds, a total of \$13.6 million, helped to resurface 25 miles of streets that would extend the useful life of those streets by 20 years. D.O.T. completed the project on time and under budget. We did point out, though, that even though we spent the recovery act money during that period, the City's deferred maintenance backlog continued to grow during the same period. Again, the recovery act funding was of great assistance to the city. But there is a substantial backlog of maintenance work that needs completing. The third project that we reviewed was the airport successfully completed two capital improvement projects with recovery act funding. \$14.4 million in recover act funds went for the new checked baggage inspection system, and a substantial amount of money, another 5.2 million in recovery act funds, went for the phase 1 extension of taxi way W. I want to thank the staff from the departments with recovery act programs for all their time during the audit. And we, from the auditors office would like to commend them for the results that they've achieved with recovery act funding. We have no recommendations at this time. So I'd ask that you accept the report.

>> Councilmember Constant: Thank you very much. I think the most interesting thing is, pages 8 through 10 when it takes three pages just to describe how many audits have been done, and compliance things. So I guess you could say that the stimulus plan here stimulated the auditing environment. And so not that you've seen it in your office, but seems like every other auditing office has seen results because of stimulus money. But I just -- I'd love to have an audit of audits to see how much money we spent through one pocket of our tax pockets to audit the other pocket of our tax pockets to see how much money was taken out of the other pocket of our same money to give ourselves free money. But anyway it's nice to see that we paved 1% of the roads and got further behind. Madison.

>> Councilmember Nguyen: Thank you. I just wanted to take this opportunity to thank staff from Work2Future as well as D.O.T. and the airport for really putting these recovery act funding dollars to good use. Obviously over the summer a lot of the youth throughout the city benefited tremendously from the summer employment program. And as far as I know that my constituents really appreciate the street resurfacing, especially around the Alma avenue area and little orchard so thank you for all the wonderful work.

>> Councilmember Constant: Just trying to balance out my sarcasm. Anything else Pierluigi or Kansen? Anyone from the public?

>> Councilmember Nguyen: Motion to accept.

>> Councilmember Constant: We have a motion to accept and a second, was that a second? Motion and second All in favor, any opposed? Looks like it passed, thank you very much for a great audit report and moving on to the next one.

>> Sharon Erickson: The second audit report we have for you today is an audit of the City's traffic citation revenue. We were asked to do this audit because revenue has declined over the last five years. The city continues to receive a small share of total revenue from traffic citation. Let me back up for a second and say that the City of San José issues about more than 50,000 traffic citations annually. We get about \$4 million a year in traffic citation revenue. Most of the revenue we found actually benefits the state of California, and the county, not the city. So one of the things that we did in this report was, we tried to diagram what happens when you receive a traffic citation. It's shown on page 3 of the report, where the motorist actually receives the citation on a city street. But then the citation works its way through traffic court, through traffic school, ultimately on the bottom of that chart what can you see is, the county receives about 23% of the total collections. The court and state receive about 60% of the total collections. And the city only receives about 17% of total collections, although for the most part it was a city officer on a city street issuing a citation. If I could show you on page 7 of the report it does show the distribution of revenue from a sample ticket. So if the base fine of the ticket under the state code was \$100, the city will receive about \$85.26 of that. You can see in total, all the other fees and fines and fines and penalties

and assessments that are loaded onto that ticket. The person who got the ticket will end up paying \$490. But of that, the City's share again is about 17%, or \$85. Now, the problem is that these allocations of funds are established under state law. On page 8 of the report can you see the comparison between San José and some other jurisdictions. San José, the split between the county and the city of the base fine is 13% to the county, 87% to the city. San Diego, the split is 6% for the county, 94% for the city. We've raised this issue and made a recommendation in our audit report that the city administration could -- should consider whether to pursue an agreement with the county and/or seek state legislation to increase the City's share of traffic citation revenue. We are not optimistic that that would be possible in the current environment. At least from what we read in the press, the courts may be even worse off than cities are in terms of funding. And the county certainly is hurting for funding as well. I'm not sure that anyone wants to go out and add money onto the fines and penalties that we assess to violators at the same time. But given that the situation just didn't seem fair, and you'll note the hint of sarcasm in my voice, we felt we needed to go ahead and make the recommendation. We also found during the covers our audit that this is one of the case of auditors stepping all over auditors. Where the state controller's office is already auditing the county and the state -- the allocation of citation revenue. And in fact has found citation revenue that needed to be distributed to the city in the past and that was done. Our second recommendation is just to ensure that the city receives prompt notification of those audits when they're completed, and then we'll have the assurance that we are getting the right amount of revenue. The third thing is that the City of San José has not received to date information that it can use to improve operations from the court. So we would never see the disposition type information from the courts. So the number of violators for example who go to traffic school. The number of cases dismissed for various reasons. The court can easily provide that information and we've recommended that we seek to get that information from the court. It was fun to watch the faces of San José PD officials as they saw that information for the first time. We are in the heart of Silicon Valley and we should be able to have that information at our fingertips. We did not identify any issues in that information. We just felt if it was easy to get the information, it could at some point be useful for the PD. We do have those three recommendations. We ask that you accept the report and the three recommendations. Thank you.

>> Councilmember Constant: Thank you very much. I actually had a question for the City Attorney. About two years ago, I think it was, I am trying to remember who in the city attorney's office, it may have been Rick. I

forwarded some information about a jurisdiction in California that had stopped using the vehicle code to cite moving violators and had instead moved to using municipal codes to cite violators because in Municipal Codes a larger portion of the fine goes to the city. I never heard back on that. So I'm wondering what it would take for us to find out which jurisdictions do that and what are the opportunities for the City of San José to pursue that?

>> Councilmember, we can look into that. My general understanding is, it's the vehicle code preempts you in terms of traffic violations. But when we come back, when this item is reported out we can have information for you at that time.

>> Councilmember Constant: I'll look for the actual e-mail that I sent. I don't know if I still have it but it actually named a couple specific jurisdictions in California that were doing it at that particular time. So just something for us to look into. Any questions for the auditor or the chief? Chief, did you have something to add?

>> Absolutely. We did look at using the municipal code versus the vehicle code, and the latest ruling my understanding is that the courts have held that unconstitutional, that we cannot do that. The state code trumps the Muni code, and I think in some cities actually did that got themselves into a little bit of hot water in doing that.

>> Councilmember Constant: We should have had the discussion when we passed our tobacco ordinance that just duplicated the state code. Maybe we should go back and look at that. But anyway, Pierluigi.

>> Councilmember Oliverio: Chief, meeting with the City Auditor yesterday on this report said the police department was interested in some of the findings that came from this report. Was there anything that shed new information on citations?

>> Well, particularly we're interested in our effectiveness at reducing crashes. And so I think the numbers in themselves, I mean if you go back to the '80s obviously they're significantly lower now but that can be attributed to a number of different things, whether it's staffing or the way we focused our traffic enforcement to the highest crash zones in the city. So from my perspective, I just wanted to have a better understanding of where we were

and where we are now. And so like why were cases dismissed in court would be one of the things that we would want to know about, was it the officer didn't show up in court, was it you know based on the judge's understanding of the case and the testimony that there were reasons out of our control that he or she dismissed the case so a lot of that has to do with that little bit of information that would help us understand you know do we have a training issue that we need to address with our staff or is the it just you know some other issue out of our control? So a little bit of information about primarily why the citations however many there were dismissed by the court.

>> Councilmember Oliverio: I think that's in the audit though, right, on page -- I don't see it right here but I think there is how many with officer didn't show up versus how many the judge dismissed. So I guess does that number sound about right to you, in your experience?

>> Yes. We had over a few years back, we had a number of issues with getting officers to go to court and some things were happening. So we obviously changed our policies and procedures it's mandatory that they go to court.

>> Councilmember Oliverio: Thank you.

>> Councilmember Constant: Okay, with that anyone have a motion?

>> Councilmember Nguyen: Motion to accept the report.

>> Councilmember Constant: All right I have a motion and second. Anyone here to speak on this item? All in favor? Any opposed? That motion carries. And we'll roll right into your next item, number 8, activities.

>> Sharon Erickson: This is the auditor's office monthly report for the months of June and July, 2011. Again, the charter requires us to submit a monthly report to the council. During the month of June and July we issued the audit of supplemental military pay. The report included two recommendations at its August 9th council meeting. The city council directed us to return to the Public Safety, finance and strategic support committee with additional

analysis on those recommendations within 60 to 90 days. So you'll be seeing that come back to this committee. Other activities during those couple of months, we did achieve the gold certificate for our service efforts and accomplishments reporting. I also wanted to point out that we had an intern and I forgot to bring him this afternoon. For the summer, in our office, through Stanford university, Stanford in government program, it's a program funded by the university, they use alumni funding to fund these kind of programs. So it was free to the City of San José. We also last month issued a joint memo with the director of finance concerning GASB's proposed funding rules for state and local government pensions. We hosted a delegation of auditors, we're trying to expand our profession always from the republic of Korea. We did another one of what I'm calling the road show on pension sustainability to employees of the building, planning and code enforcement departments. Those presentations are pretty much focused on how did we get into this problem with our pensions and we just stay there and answer questions until the people are done asking questions. Not that we've come up with a solution to the problem, but employees seem to -- seem to value just hearing about what the problem is. And then, finally at the end of June, the Rules and Open Government committee approved our work plan for 2011-12 and beginning next month you'll see our progress against that work plan. I did want to let you know that we are initiating several audits on that work plan. So this week we're launching our audits of the environmental services funding and staffing of the water pollution control plant's rehab project. And also, of Team San José and the convention and visitors bureau. With that I'm happy to answer any questions.

>> Councilmember Constant: Thank you. Questions or comments? None? Anyone here to speak? None. Motion?

>> Councilmember Nguyen: Motion to approve.

>> Second.

>> Councilmember Constant: We have a motion, second and third. All in favor, any opposed? Thank you Sharon. Our next and final item is the Team San José quarterly performance and incentive measure report. Come on down.

>> Ed Shikada: Chair, members of the committee, perhaps as Team San José staff are taking their place I do want to acknowledge that Lee Wilcox and Eric Vilmora from our office have been working with Team San José staff in putting this together. Mr. Wilcox is now on paternity leave, a brief respite, although it's anything but I'm sure. And so will be back with us in a few weeks.

>> Councilmember Constant: Thank you very much. Hello hello.

>> Hello.

>> Councilmember Constant: It's all yours, Dave.

>> Thank you, Councilmember Constant and members of the Public Safety, Finance and Strategic Support committee. I'm Dave Costain, COO of Team San José. I first want to apologize for Bill Sherry, he couldn't be here today, he's our CEO, but he has a conflict with the mayors meeting that's going on at the same time. But Janette Sutton and myself are pleased to be here to talk about our fiscal and economic results for year end. Team San José organization has seen very positive change in the last year. We've made significant governance and management changes, and the organization has clearly corrected its course moving forward. The goals originally set by Chuck Toeniskoetter, our board chairman and the board of directors have really increased our transparency and our business focus for the organization. As you know we've reduced the board down to 15 engaged partners from 28. We've increased the oversight at every level of the organization. We now have monthly meetings and we are engaged at all levels. I'm pleased to say that Chuck Toeniskoetter, our chairman of the board, will continue for another year in that capacity. We've improved our staff business focus. We have a new COO and CEO. Both of us have extensive business background, and I think that's brought new leadership and direction to the organization. We have significantly improved the quality of our financial reporting and our new budget is reflective of the conservatively economic times and the fiscal projections, particularly in light of the construction and the impact of the expansion of the center. We've also are an increased focus on business and are right on track with our primary mission. We've improved our city relationships at all levels. We recognize this

as a new partnership and we will continue to maintain that positive partnership. Our clients, the hospitality industry, our arch groups, labor, and the city all appear to be very pleased with our service and performance. And finally, our solid fiscal and economic results for fiscal 2011 have strengthened our position and fund 536. I'd like to ask and introduce Janette Sutton, our CFO, to talk about some specific highlights for our year-end results.

>> If I can have everyone turn to page nine of the report. The chart referenced performance measures is a very good summary of our key performance indicators that demonstrate that the organization is stronger and more focused than ever before. For fiscal year 11, we met and exceeded seven out of nine of our performance measures. Growing revenue, over \$4.8 million over the original adopted budget. One of our major areas of growth was the food and beverage where we grew revenue by \$1.9 million. And this is successful in two factors, not only did we grow revenue by \$1.9 million but by taking it in-house we got to keep a larger portion of the share bringing in an additional \$1 million to the fund 536. So that was truly a success to the fund. Team San José also reported six of the 12 months with profits. With those particular six months we did not have to utilize any funds from the fund 536. Overall, year-to-date, our goal was \$5.1 million loss utilizing from the fund. However for fiscal year 11 we ended the year using gross operating profit -- loss of \$1.8 million. So this is a favorable variance of over \$279,000 -- or 279% compared to original goal. Customer service also continued to be strong. Ending the year with a 98% overall customer service result rating. T.O.T. occupancy revenue was also very strong. We had an increase of 8.7% which equated to about 435,000 additional funds being put into fund 536 from T.O.T. revenue. The fund balance was significantly -- was brought to significantly higher level in fiscal year 2011, and instead of utilizing a portion of the fund to cover operations through our operating, we actually grew that and improved that by \$3.7 million, and you can see that also on the chart. Also on page 9, so by growing the \$3 million, we actually grew the fund to more closer to \$9 million. Rather than depleting the fund. So that was a very positive story for fiscal year 2011. Strengthening the fund not only helps us protect Team San José, in future operations, but it also brings the city, helps the city during these economic challenging times. So in summary, that's my report. Is there any question on our performance measures?

>> Mayor Reed: Thank you, Jeanette. Any questions on the report?

>> Councilmember Nguyen: Yes, thank you very much for the report. This is definitely wonderful news which we haven't seen too much in the past, but seems like the trend is going moving in a very positive direction. I just have one brief question. Beside the personal change, and I'm glad that Chuck is able to stay on for another year as the chairman. But besides some of those changes what is it that you're doing differently to track? Like I was looking at page 8, we're looking at all these wonderful events and generating a lot of revenue and definitely helping out a lot of the hotels. What is it that you are doing to attract a lot of these vendors and a lot of these events?

>> One of the things we did is we formalized a lot of our operating procedures, putting them in writing and making them available all the way down to our leaders so ecan manage and also hold accountable. We have also started taking a different look at our business. Instead of an overall profit-loss we look at this by event and we've moved towards more financial statement review, internally by event. So that's given us a very good perspective of being able to control our cost and keeping them in alignment as well.

>> Councilmember Nguyen: And do you foresee that you continue this kind of trend or are there any other new methodologies that you're looking forward to, to sort of dealing in the future to attract more vendors and attract more events and attract more visitors to San José?

>> Absolutely. As of July 1st we implemented a software that we had so we didn't have to spend money on it. Just utilizing it more fully where we can track like I said by event all the way down compared to a budget level. So our budget for the fiscal year for the first time is actually by event. So and then all of our expenses are being allocated by event. We also peu purchased enhancement to our current software for the scheduling system. So that our variable labor is monitored before we actually spend the money and not after we spend the money. So that's going to be a useful tool for us controlling those expenses as well.

>> Councilmember Nguyen: Great for all the good work.

>> Councilmember Constant: Thank you. I wanted to make a few comments. As my colleagues know I'm the liaison to Team San José. The change I've seen being at the board meetings, having day to day or day to every

other day contact with Team San José has been incredible. Between the CEO and the board changes I think that has been probably the most significant visible change. I can definitely see it in how the board meetings are run, how the committees are operating, the board members are much more engaged. The finance committee in particular, seeing that there's -- I can see how much more close integration there is between Jeanette, and that role, and the finance committee, and then the connection between the finance committee and the entire board. I know it's not in the reports, but the labor issues have been smoothed out, which has been great to get rid of that distraction. And quite frankly, the reports the way we're getting them here are much simpler, much more easy to read and quite frankly give a very clear picture of what's going on. Of course it's always good to have a clear picture when the news is good. So that's kind of a double-positive. And of course the overall results and I think the ultimate result is, where fund 536 ends up. Because everything else is great but we can look at that and say we know what we need 536 for over the next couple of years. Because we're going to have an interesting continuum of years at the convention center. We can't implode but as we tear down MLK library and start the renovation and the trials and tribulations that are going to come from that effort, 536 is going to be really important so we can ride through that time. Because it's going to be a challenge. We know it's going to be very challenging to you as an organization, to our visitors, our guests, to your salespeople trying to sell a concept that's not really up and visible to people. But I've also seen in the meetings that I've been able to attend as you're bringing guests from outside the area to see what we have to offer, the most recent being this last week and talking to those folks and seeing their reactions to what we're doing, not only at Team San José and the convention center specifically but in San José generally, things are looking very positive. So congratulations on good work. And we'll look forward to continuing to move in the right direction. Anything else from my colleagues?

>> Councilmember Oliverio: Yes, thank you for the report. Obviously, vastly improved metrics, really appreciate that. Long time ago, I'd asked back when we had a different cloud over Team San José that the ability for us to -- for Team San José to share their financials in real time with the City of San José, was that ever implemented?

>> The city finance actually has access to all of our same softwares.

>> Councilmember Oliverio: So they can look at your general ledger at any time in a read-only environment?

>> Absolutely.

>> Councilmember Oliverio: I think that's huge so I really appreciate that, and the beauty of technology. And then other item I wanted to ask. Your cost or the subsidy, whatever way you want to look at bottom line improved drastically. How much of that do you attribute to the elimination of the civil service requirements and the ability to have variable label, 50%?

>> 3.2 million savings in a year. It was a substantial difference. The \$5.2 million did factor that in however it was the revenue growth and being able to manage those costs and not let them grow at the same rate.

>> Councilmember Oliverio: Right.

>> As the revenue. So it was partly that. But there was 3.2 million dollar savings to the fund by changing the variable. And it did enable us to manage those costs very much.

>> Councilmember Oliverio: Thank you very much.

>> Councilmember Constant: Probably along the same vein it would be worthy to share that at the last board meeting I heard that the unions, the noncity unions that work at the convention center have also signed new agreements that provide for a lot more flexibility in dealing with clients. And I think from that we're going to see much better results in the long run as well.

>> Yes, that's correct. We've finalized the Teamster issue with a much more flexible contract. We'll actually have two contracts. All the IOTSI groups from 134 stage hands through all the various disciplines are much more flexible and really even the ATRE 19 which was a seven month project, that's also very favorable contract.

>> Councilmember Constant: Well, great, thank you very much. Anything else you two would like to add? I don't see any visitors in the audience, that look like they want to say anything. So --

>> Councilmember Nguyen: Motion to accept the report.

>> Councilmember Constant: Motion.

>> Councilmember Oliverio: Second.

>> Councilmember Constant: Which means we already have a majority, that's very good. All in favor, any opposed, that's very good. That brings us to the conclusion of the meeting, we have open forum but there's no one to speak so we'll adjourn our meeting and see you next month.