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>> Mayor Reed: Good morning We have a quorum so I'm going to get this meeting started. This is the first part of our day with the labor update after we've done that we'll adjourn into closed session for the closed session agenda and we'll be back here at 1:30 p.m. for the rest of the open session agenda for the labor update. Gina Donnelly.

>> Gina Donnelly: Good morning, mayor and members of city council, Gina Donnelly, deputy director of employee relations. We have no report this morning. Thank you.

>> Mayor Reed: Thank you. I have a couple of people who want to speak. Brian Doyle.

>> Good morning, honorable mayor, councilmembers. I just want to add a few things to what's been happening. I want to clarify that impasse has never been declared against ALP, on the ballot measure negotiations. ALP attended the mediation with no preconditions or admissions. The city walked out of mediation without ever having the latest actuarial projections on future pension liabilities. We never got any numbers. The new ballot measure memo which is on for next Tuesday, contains absolutely not one word about what savings would be achieved if it were passed. Because the opt-in will never be approved by the IRS, there will be absolutely no effect on the overall unfunded liability of current members. Therefore, the ballot measure is not pension reform at all. With respect to current employees this is simply a 16% pay cut on top of the 10% cut we already have. It is an attempt to impose a 26% overall pay cut without respecting the collective bargaining process. All enshrined in the charter and unchangeable without another vote. It is unwise and illegal. Thank you.

>> Mayor Reed: Robert Sapien.

>> Good morning, mayor and council, Robert Sapien president San JosΘ San JosΘ firefighters local 230. Like most other mornings I woke up with great energy, great optimism. I have a great family. I have a great job. I have a great pleasure of serving San JosΘ firefighters local 230. This morning I woke up thinking about all of you. You have tremendous power every Tuesday morning. You get to wake up in the morning and you get to evaluate where you've been, where you're going, and whether or not you want to change direction. Today's a great day to

think about that. There's a great deal at stake. It's interesting, on behalf of firefighters I can say that we are for pension reform. Millions of dollars on the table to be saved. You say, you are about pension reform. Yet, you do everything you possibly can to avoid a real discussion about it. It's a good day for change. Thank you.

>> Mayor Reed: That concludes public testimony. We are going to adjourn into closed session, we shall return at 1:30.

>> Mayor Reed: (gavel strike) Good afternoon. Calling the San José city council meeting to order for February 28th, 2012. Please have a seat. We will start our meeting with an invocation. Councilmember Kalra will introduce the invocator.

>> Councilmember Kalra: Thank you, mayor. In Chennai India, a temple that's over 1500 years old. On Shevagama practices having consecrated over 500 temples all around the world. Swami S of Vidya of Chennai. He has represented the Cheva faith. United Nations in New York. , within them with his mantras, he performance penance by giving up speaking for three to four years at a stretch. He is currently the worldwide, I had the pleasure of meeting him, at the Sri Maha Kaleshwar Mandar at a Hindu festival, celebrated by about a billion Hindus around the world. Pleased to have with us swami.

>> Brothers and sisters of America. I would like to say Ohm for one time to purify the air around us. Ohm. As sun is important for all the planets in the world, America is important for political stability, and protection of other countries. So we would like for America to support all the countries to follow like America. Would I like to say, one word of mantra which remove all obstacles and gives thin to America ohm Sareem. [ Speaking in Hindu ] this mantra means America to get all kind of welfare, happiness, and peaceful, this I'm invoking this mantra to, famous for removing all obstacles to everyone. I request America to lead the whole world, like sun for the other planets. Namaste.

>> Mayor Reed: Thank you very much. Now we will have the pledge of allegiance. Please stand. [ pledge of allegiance ]

>> Mayor Reed: First business to consider are the orders of the day. I have a couple of changes from the printed agenda. Item 5 -- 1.5 we need to add, that's the proclamation declaring African American history month. 6.2 the towing contracts out of order before we take up the consent calendar . Any other changes from the printed agenda? Nope. Need a motion.

>> Councilmember Herrera: Motion to approve.

>> Mayor Reed: Motion to approve orders of the day. All in favor, opposed, none opposed, orders are approved. I want to note, or maybe I need to just verify, we had a notice that Vice Mayor Nguyen would participate by telephone on one of the items on the agenda. Is that still the case? Okay. She's not going to be calling in.

>> Dennis Hawkins: That's correct, Mr. Mayor, she will not.

>> Mayor Reed: Okay, we will be adjourning today's meeting in memory of Father Donald McDonnell. Father McDonnell was a Catholic minister and 88. Father McDonnell was born in Oakland in a 1951 he began his residence at St. Patrick church in San José. He worked directly with our Spanish speaking and Portuguese populations in the Bay Area and became internationally well-known with the make grant and minority groups including the Cesar Chavez. His assignments took him around the world. We honor father McDonnell's particularly to the city of City of San José, the people of San José, the farm workers union and Cesar Chavez. And we will adjourn this meeting in his name. Next item of business, is the closed session report, City Attorney.

>> City Attorney Doyle: Mayor the City Council met in closed session, this morning, there is no report.

>> Mayor Reed: I would like to invite Councilmember Chu, and members to join me at the podium as we celebrate the lunar new year. You probably notice it's lunar new year in San José as it is the rest of the world. Today we're going to present a proclamation on that and Councilmember Chu has some of the details.

>> Councilmember Chu: Thank you, mayor. Thank you. Not that many places on earth that we can celebrate the lunar year during the same ceremonial thing for the African American history month. So I'd be very happy and thanks for my colleagues and the mayor to joining me to proclaim February 28th, 2012, in celebrating of the lunar new years. The lunar new years, for Chinese, we'll call it -- the Chinese new year but known to many Chinese and the Vietnamese Tet festival is a time for fresh start of many around the world. For 2012 we celebrate a year of the

dragon which symbolize wisdom strength innovation and passion. As we celebrate new years we are also celebrating the contribution of many of Asian Americans given to our diverse community in the United States. We can name in all different fields like currently, the secretary of the energy Stephen Chu and you probably heard about yo yo ma, the musician, and Bruce Lee and most recently, the basketball player, Jeremy Lin. I would like to wish you prosperity for you and all your family . Here today, to accept the proclamation on behalf of the Asian American community is one of the overachievers in our community, Van Ne is certain at east side union high school board of directors and also, the founder and organizer for the children's lantern festival for probably over 20 years. So mayor, could I ask you to do the honor, present the commendation or proclamation to Van Le.

>> Good afternoon, Mayor Reed and all councilmembers. On behalf of the Vietnamese community my name is Van Le and I'm a vice president of Vacnokal. We would like to thank you, Councilmember Chu, Mayor Reed, acknowledged and present the commendation for lunar new year for us and we wish all of you a happy, healthy, prosperous new year. Even though a little bit late. We integrate the whole month for Vietnam new years all of you know that Tet is the Vietnamese new year and we celebrate this year as the year of the dragon and one of the characteristics of dragon is not afraid when faced with a challenge and it will defend and protect any cause dear to their heart. We know the city has a lot of challenges during this time. But we have the feeling that the mayor and the council will make the tough decision for the city welfare and residents and many more issues and help make the city a better place to live and we are proud of the 10th largest city of San José in the United States. On behalf of Asian Americans we appreciate the commendations and we wish you all a happy new year. Thank you. [applause]

>> Mayor Reed: Now I'd like to invite Bob Hennessey to join me at the podium. Bob, come on down and bring some of your friends. Bring a few of them, will you? Today we're going to commend youthbuild San José for its tremendous contributions to the lives and success of many young people in our community. Youthbuild got started in East are Harlem, New York, searching high school dropouts. Youthbuild helpings keep these children's in school engage, work with other organizations and agencies to reduce recidivism. Youthbilled San José will be implementing the smart build program, which stands for start making an job skills and are placed in ongoing education or a full time job. Youth build San José has been granted more than \$800,000 from youth billed U.S.A,

to assist, to set beings goals. The City of San José provides a base funding used to match funding for start making a real transformation program. We're delighted to see the money coming from outside to help our kids. Bob, I thank you for leading this effort among other things and give you a chance to speak.

>> Thank you, mayor. Good afternoon. Mayor and city council. And all of you, just like the mayor said, we received a grant of \$810,000 from through youthbuild from the Department of Labor. For a smart program and smart means start making a real transformation. Well, the City of San José started making a real transformation almost 25 years ago when it started the San José Conservation Corps. And since then we have 19,500 young men and women changed their lives because of our efforts. The corps also received more than 1.2 million in funding from the youth offenders reentry and gang reduction programs in the past two years we received these funds because of our ongoing efforts in gang intervention and rehabilitation of at-risk youth. The San José Conservation Corps and its many programs and charter school is a one-stop shop in the education, training, job development, job placement, counseling and support, for all our young men and women, who participate in our program. And as of today, we have over 460 young men and women currently, today in our program. Working towards getting their high school diploma. Youthbuild and the Conservation Corps are proven evidence based education and training program. In fact youthbuild is recognized as one of the top nonprofits in the United States of America. In Santa Clara County, last year, 3,476 students did not get a high school diploma. 74% of those were from low income, the poor neighborhoods of our city. Last year alone, we graduated 454 young men and women with diplomas through our charter school. I want to thank the city council, and the mayor, for the ongoing commitment that the city has to the San José Conservation Corps by providing base funding. Because it's only through base funding can we apply for funding from the federal government and from the state government. So thanks again, mayor, Chuck Reed, and the city council, I want to thank our board of directors members here this afternoon. And above all, would like the students that represent the corps to stand up, and we can give you a good hand of applause. Because these are the people. [applause]

>> Mayor Reed: Now I'd like to invite Councilmember Constant, Kendra Januaryos and Bill Sherry from Team San José to join me at the podium as we recognize the week of February 27th as search week in the City of San José. Councilmember Constant will tell us what that's about.

>> Councilmember Constant: Thank you, mayor. With us as the mayor mentioned we have Bill Sherry CEO of Team San José and Kendra H-arros vice president of marketing for third door media. Since 2009 search marketing expo has been here in San José. This expo was presented by third door media and their mission is to empower Internet and search marketing professionals. This program is from February 28th until March 1st at the San José McEnery convention center. It is featuring 40 of the world's leading marketing company, keynote speeches networking activities and presentations from leading solutions providers. SMX West is about learning networking and gaining solutions to increase online traffic. They learn about ROI-generating paid search advertising, search engine optimization, and best practices they bring approximately 2,000 attendees, one million in economic activity in San José. And let me tell you these guys know how to search and they've searched all over the U.S. and they picked San José to have their event. They've done it for a number of years. We're thrilled they're here, and we'll give them another greatly experience here in San José so today we're very happy to declare this week search week in San José. If you could present that, mayor. [applause]

>> Thank you. On behalf of search market being expo team we thank Mayor Reed, Councilmember Constant and the rest of the city council, for this recognition. We appreciate the hospitality, the City of San José extends to our event and our attendees each year, and we look forward to continuing and growing our partnership together. Thank you.

>> Mayor Reed: Now I'd like to invite Councilmember Kalra, Councilmember Chu and the African American leaders to come down. We're going to recognize the month of February 2012 as African American history month.

>> Councilmember Kalra: I will start now. As people make their way down here I want to thank Mayor Reed, Councilmember Chu and my fellow councilmembers in the presentation of a proclamation declaring if month of February 2012 as African American history month in the City of San José. Some of the people joining us today include former councilmember Forrest Williams here, representing the AME Zion church, oak Grove school district, Leon beechman, stlairve, and 100 black men. Osley tinsly, community arts and history and support, kitchen cabinet, pan Hellenic council. I'll allow others to make furthers introductions african Americans in San José



have a long and rich history of legacy that includes early settlers around pioneers, explorers and active local underground railroad network, veterans, national park service. And outstanding individuals and community leaders such as Peter Cassey who in 1861 founded the Phoenixonian have contributed to economic educational religious and civic life and well-being of the community. And African American history is American history and that rings true here in San José, as it does everywhere in this great nation. Since 1926, when African American history month was first celebrated this annual event has become a special opportunity to pay tribute to it civil rights pioneers who fought tirelessly for economy and to recognize taken up that struggle in the name of education opportunity and community-building. These groups include certainly not limited to the Silicon Valley nook, Silicon Valley 100 black men and Silicon Valley 100 black women, the black leadership kitchen cabinet, the national forum for black public administrators, the African American santa Clara Valley 100 arts and rift support, the first AME Zion church founded in 1864. The Antioch Baptist church founded in 1893, the national hellenic and African American studies departments at local colleges and universities, including San José State university. I think it's important to recognize all the groups that play a part of our tradition and great contributions to the African American community in San José. .ful of these earlier this month for the first time of San José's history. A proud moment for all of us who call San José home. So with that Mayor Reed if you could present the proclamation and we'll have Leon beechman -- there's so many worthy people to accept it Mayor.

>> Thank you very much. Want to say thank you to the mayor and the city council for this award. This proclamation. I want to say something about black history in that last year I was here, I had suggested that all of you read a book about black history. Just one book. Just pick one person. I want to ask you how many followed me up on that? But I'm imagining probably a couple of you didn't. And so I'm going to suggest that again. I'm going to even suggest that you read a book about Harriet tubman. Some of you might know she was known as the black Moses. She was a hard worker. She wasn't a very big woman. Her slave master used to invite over other slave masters just to see her work. He would have her go out in the field, she would chop down a huge tree and by herself, drag that tree away so they could plow it. Next time you think you have a tough day, I want you to remember Harriet tubman and the tough days she had. Those figures are inspirations to all of us, not just African Americans. They are part of American history. And that's why it's important for us to recognize the sacrifices that are made from African Americans to make this country what it is. We don't have a lot of African Americans here

locally. Only about 3%. It makes it even more difficult to make sure we reach out to our community and make sure that we never forget those who sacrificed to allow us to be here today. So I want to thank the city council for this award and we look forward to being here next year.

>> Mayor Reed: Before we take up the consent calendar we're going to take up item 6.2, that's a towing contract matter. Amy Matthews.

>> Thank you Mayor Reed and the city council I appreciate your kindness on this day so I can attend to some issues at home. What we have before you is compliance with council policy 9.08 which requires me to do an annual rate review for our tow services contract. I've done that and aligned that with the golden state Highway Patrol competitiveness for our tow zone operators. Also there's a recommendation to reduce the certificate of deposit down and the reason for that recommendation is because we put that in place to ensure that our contract compensation is ensured. And as you'll see because of the dramatic reduction in tows we haven't had the need to draw down on it number one and number two it's about three times what we need and even san José business owners it is still ensures the city contract compensation issues that arise, as well as the authorization you gave me so I respectfully ask that you adopt staff recommendation.

>> Mayor Reed: We have a motion to approve. I have no requests from the public to speak on this item. On the motion, I'm sorry, Councilmember Kalra. Pardon me.

>> Councilmember Kalra: I just wanted to say I'll be supporting the motion and Jamie I want to thank you for your professionalism for being here and our condolences thank you.

>> Thank you, Ash.

>> Mayor Reed: Councilmember Chu.

>> Councilmember Rocha: Thank you mayor. Thank you for your work on this, it was a fantastic job, this item went to T&E, we had had a discussion and the industry had asked for some time with PD to talk about some of these issues that aren't actually related or discussed here. I'm curious if that opportunity has happened. Maybe the police chief can speak to that.

>> Mayor Reed: Chief Moore.

>> Mayor Reed, members of the council, Chris Moore. Councilmember Rocha I missed the first part of your discussion.

>> Councilmember Rocha: This was out of the discussion of T&E, there was an ask or a sentiment from the industry, that they had an interest to sit down with you and talk about issues that are not here.

>> I've had preliminary consultation with legal counsel in the hallway. When a lot of our tow policies have changed, I had one phone call at the very beginning and no further follow-up. our tow operators are some of the best in the business. They deserve all the support they can get, they are an important part of Public Safety, we recognize that, even though the changes in tow policy they achieve what I expect them to achieve. there is an increase in trust between the community and the police department. So the policy is a good policy but it did have the unintended result that the tow companies who are locked into some of these long term deals that wouldn't have the ability to recover some of their costs. So I think this is an appropriate way to present this and your councilmember Rocha on this.

>> Councilmember Rocha: Have it go through committee and to council and we don't have industry folks here, raising concerns and issues that they weren't heard and I think this is testament to the work that you both did, thank you.

>> Thank you.

>> Mayor Reed: Councilmember Liccardo.

>> Councilmember Liccardo: I just wanted to join in the thanks. Thank you, Jamie for resolving a very intractable problem and I want to join in the expression of support from the council.

>> It was the first opportunity we had to go to the committee under this particular process, and gain the consensus that you saw here today .

>> Mayor Reed: Councilmember Pyle.

>> Councilmember Pyle: Thank you, mayor. Jamie I'd like to ask you how you managed to go from \$17,692 to 12,357 tows in one year.

>> You know it's something that's affecting the entire county it's not just specific to San José. I serve on the abandoned vehicles survey so see how its affects all the other cities within the county and they have basically proportional decreases, I think it's the matter of the economy and the number of people that are here to work and how long they can hold onto their cars. And there's a lot of factors involved but it all comes down to the economy and it is not unusual in San José as opposed to other jurisdictions around us.

>> Councilmember Pyle: It's wonderful to see this decrease and thank you for all your hard work.

>> Mayor Reed: Councilmember Herrera.

>> Councilmember Herrera: Thank you Jamie and towing companies around they perform an important function.

>> Thank you.

>> Mayor Reed: We have a motion to approve the recommendations. On the motion, all in favor? Opposed, none opposed, that's approved. We'll next take up the consent calendar. Are there any items that council wants to pull for discussion? I have some requests to speak. I'll take the testimony now. On the items on the consent calendar. Danielle Pursland, David Wall. Mr. Wall your closest, so go ahead. Then Robert Cortese.

>> Good afternoon, ladies and gentlemen. 2.2, item number C, ordinance number 290 three.8. It allows the issuance of permits to discharge storm water to the sanitary sewer system. I'm a little worried about the funding for that. If the volume is so great, that single family homes or other people are paying for the treatment of this water once its enters the sewage treatment system. 2.8 is the big one amendments to the city pay Murray plan for various classifications. I've never supported taking away the pay and benefits of all the good people that work at the water pollution control plant. You as councilmembers, decision makers incompetently did that. As a promote result, you had does not fail. I believe everybody out there should get their pay and benefits restored because everybody's integral into that operation with the exception of some of your higher senior staff members out there which should be summarily fired. But sewage treatment has other forms in the city. Because crap is a synonym for sewage. Now, the police department, they primarily deal with -- their clients emanate from the sewer so why can't we start repatriating their fees? And benefits? Along with the fire department, clerks, city clerk they process crap all the time and also, our attorney has to process all the crap from the office of the City Manager. We need to raise our salaries back to where they were. And keep our police officers in -- on the force instead of laying them off, just to open up the academy, to rehire new ones with the intent not to pay their 90% retirement.

>> Mayor Reed: Danielle Pursland.

>> Thank you, members of the council. Before I speak, Nancy Pyle, know that I respect you and you remind me of my dearant Katie one of the founders of Silicon Valley. But I came here to speak out and take a stand for people living in San José that can't be here today. I do not agree with you Mayor Reed, or your approach to the tax increases imposed today. Pete constantly said it best in Sunday's paper over the past weekend. If you take an historical perspective on our revenues that have consistently been increased, I agree as Pete also said I really don't think we have a revenue problem. I think we have a spending problem. With the increased taxes like

measure U from 7 to 10% a sales tax from 8.25% and up to 8.75%, much like San Francisco and Oakland, when Campbell's only at 8.5% and property taxes that you're trying to impose will just devastate many in the community. As a CRM that is a certified residential manager and owner in California this will affect many of my tenants, families that we support, and the properties I own. This will increase poverty issues in uproar in the community that you will be left with the legacy of mayor greed as they talk about in the faith based communities today. What are you going to do to protect the people of San José that you support? Thank you.

>> Mayor Reed: Robert Cortese. I don't see Robert moving to the microphone so that includes the public testimony on the consent calendar. Any items councilmembers would like to pull for discussion? Councilmember Liccardo?

>> Councilmember Liccardo: Yes, 2.11.

>> Mayor Reed: Any others, no. Is there a motion? All right, we have a motion to approve the balance of the consent calendar with the exception of item 2.11. On that motion, all in favor? Opposed? None opposed, that's approved. Item 2.11, Councilmember Liccardo.

>> Councilmember Liccardo: Just a question of the city clerk or anyone, City Manager even wants to respond. Given the fact that these appointments really occur in one fell swoop usually in January on a single vote, I think a lot of the folks who get appointed to the commissions or panels don't necessarily know if there's a stipend or how much that is. If someone whether it's in City Clerk's office or City Manager's office could tell us, when we have to recuse ourselves I think that would be really helpful.

>> Dennis Hawkins: We'll work with the mayor's office on the appointments and flag any appointments that do bring a stipend with them.

>> Councilmember Liccardo: Great. I just want to avoid any gotcha issues down the road.

>> City Attorney Doyle: Council, that's a very good point. FPPC is taking this up on March 15th and before next January we will have a modification of the rule but we'll keep that in mind if the rule continues.

>> Councilmember Liccardo: I guess I would like to incorporate that request in the motion and move to approve.

>> Councilmember Herrera: Second.

>> Mayor Reed: All right we have a motion to approve the recommendation on the legislation and the rules and have the clerk's office and the mayor's office flag those to make sure we have a stipend if that doesn't change. On the motion all in favor, opposed, none opposed, that's approved. That concludes the consent calendar items, 3.1, report of the centering.

>> City Manager Figone: Mr. Mayor I have no report today, thank you.

>> Mayor Reed: Next would be 3.3, the IBM operations efficient diagnostic report. We'll take a minute for our staff to get in place. We'll have a presentation. Now just so people will know I got some cards who want to speak on the City Manager's report. There was no report. I will take all those cards and comments during the open forum if anybody wants to speak about what they thought the City Manager should have reported on or whatever it is, might be on their mind, we'll take that in the open forum so I've still got the cards. On the IBM operations efficiency diagnostic report, I asked this be brought to the city council so we could refer this to the staff for work and analysis of the recommendations that IBM has made. Last fall, IBM agreed at no charge to the city to send one of their smarter cities teams down to look at the operations in City of San José to see if there were ways they could recommend that we could save money, become more efficient and restore services to our residents and taxpayers. The team completed its work. We have the report. They've invested a great deal of time and effort analyzing decades parks revenues and neighborhood services departments. They did not look at all department because we had to limit the scope of the work so we took the big ones in terms of budget for them to do the analysis and they've identified a lot of interesting cost-saving opportunities. The scope of their work and their data analysis is extraordinary. It will be I think of great interest to us. Obviously it's provoked a great deal of public

interest already. But I think we need to keep an open mind to the data, in the tradition of Silicon Valley, the data is the data. How we act in response to the data, how we operationalize the data, of course there are important policy issues that we want to give the staff a chance to think about before they come to the council with recommendations on anything they want to do. So today is not an analysis of the report. It is a referral to the staff. To begin the work that they might bring to us with recommendations that they might have to implement things that come out of the data. So with that I'm going to turn it over to the City Manager and she will kick off the presentation.

>> City Manager Figone: Thank you, mayor, members of the council if I could have the first slide before I turn it over to the staff. Let me just add my perspective and that is, the, you know, the notion of continuous improvement is certainly not new to the City of San José. And the city for many, many years embraces and has embraced the importance of engaging in review of our city service delivery. I can honestly say from my own experience that taking a look at how we provide services, and again, we clearly have a culture of continuous improvement. And I say that again not only because of my own experience, but I think recent proof of that is that before, as we proceeded into the economic downturn, I don't think that the city could have navigated through the last three years without having such a culture, if it was new to our city we would have stumbled and fumbled but instead we brought you difficult proposals, the council made difficult decisions, management and workforce were scaled back, and yet, I believe that our community has continued to receive a relatively high level of services for the resources that we have. That said, IBM has sized an opportunity for us, and however, as you I say in my supplemental memo, many of the proposals I think are -- they raise important questions. But they are best considered when we're in a growth mode rather than our starting point, which are from a place of already drastically reduced services. And so let me just be very clear that we are not recommending further reducing our sworn staffing based on this study. After significant changes over several years, I will say, though, that the report does raise important questions. And factors to consider. As we look to re-- hopefully rebuilding our services. I do agree that data is very important. Again, that is not news to the city. However, it opens doors to questions, but may not always exclusively answer those questions. And in order to answer the questions that the data raises, I think it's important to engage our professional staff, our workforce and our community, to critically review what the data's telling us, so that we are comfortable in bringing recommendations to council that are both operationally



viable and meet the priorities of the council and the community. There are several initiatives cited in the report that are already underway with more possible, given the resources that we have. So with that, mayor and council, I wanted to give our police chief and our fire chief the opportunity to share their professional perspective with you, and then, Ed Shikada, assistant City Manager who's been really an important link on this study to wrap it up. Chief.

>> Thank you. Mayor Reed, members of the council, Chris Moore Chief of Police along with chief Willie McDonald from the fireman. On behalf of both departments. And to you to echo what the mayor stated it was a great opportunity to have IBM come in and look at quite a bit of data going back many years. What that allowed our staff to do is because we're the ones that had to collect most of it, that spent hundreds of hours of our own staff time which allowed us to look at how we've done business and perhaps how we might change it and going in with an open mind. And that's exactly how I will say the police department went into the IBM study, looking for ways to improve and how they might add value to our service delivery model. Having said that when we first received the discussion draft and had meetings with IBM I immediately became concerned just because of the type of analysis they were using. And I say this with all due respect for IBM because they were focused on crime rates. We all know from experience that the City of San José is one of the safest for all big cities we didn't get there by accident. It was a lot of factors that go into it san José is a great place to live, work and learn, corporations come here, we want more to come here, so when I first saw the numbers there honestly I was shocked. But after a lot of discussion, come to realize that look, if this is an attempt for us to get better there are opportunities within the report, but I just want to highlight a couple of things that I have concerns about and then move forward with the real positive things. First of all again as I mentioned this IBM report is really focused on crime rates. A lot of their charts that they used have been adjusted as they say for crime rate. What that doesn't take into account in our own particular city, recognize that all cities are different. The population of the city, the density, we are not a New York City, we are not a Los Angeles at the same time we are not a San Antonio. We are our own individual structure. We are one large metropolitan area in a much larger metropolitan area that brings people through this area, which brings traffic into our region. Traffic is not included. They are focused very much on part 1 crimes, that is what this analysis is about, part 1 crimes. When you talk about the part 2 crimes, the quality of life crimes, we do spend a significant amount of time on that, we spend a significant am of I'm things that are not captured in their

analysis unfortunately and what I'd ask them to do is go back and look at that. It was pretty clear that their interests weren't there, that's okay, I think they did bring forward some very positive and constructive initiatives. Talking a little bit about proactive policing, one of the reasons why San José is different than most other big cities is we still do proactive policing. It is much cheaper for the community to stop crimes before it begins. That starts with the community if you look at the efforts of the mayor's gang prevention task force, there is significant effort not only in the police department but the entire community that has helped drive this in other words highlights the fact that since we have low crime we don't need as many police officers. Our investigative efforts truly are driven by our rotation model. We have officers that work patrol for three years then go up to specialized assignments and required to go back to the street where they bring a tremendous amount of added value to investigations. An example we may have somebody who's worked homicide for five years come back to the street working midnights and will be the first responder to a stabbing or shooting that turns into a homicide. By virtue of their experience unlike any other city we have people on the street that have skill sets to literally solve a crime within the first two, three hours. You're talking about responding, arriving on scene, lock down witnesses taking statements, canvases, that type of thing, none of that is captured within that report. I want to pay teens this particular slide, sworn per thousand ratios or the per capita ratio. If you look this is based on a survey of the major city chiefs from last year, beginning of last year. That shows right now there's 29 on that particular chart, there's over 50 in the major cities. That chart right there was done at the beginning of the year, that we per 1.3 where we were before the layoffs, we are now closer to 1.1, that last bar chart in green that represents San José is actually nearer the 1.0, closer to 1.1 so we are rock bottom and have been of all the major cities. That said other jurisdictions are different. I'm not pretending avoid New York, we don't have New York's problems or Washington, D.C.'s problems. It is easier to make adjustments on a chart saying because of a formula we have based on crime rates that you are overstaffed. I just can't say that. Let's talk a little bit about patrol resources and this is one of the areas where I think we are ripe for improvement and we are making incremental steps and that is how we deliver our patrol services, and using technology to make sure that we are the most efficient in how we deploy. Right now we have a number of 16 districts in our city, in four divisions, all broken down by beats and we have officers assigned to in most cases 24-7 that after our last set of reductions we are not down to an officer in every beat so we are looking to redistrict. Right now we anticipate that redistricting process taking some -- somewhere in the effort of -- somewhere in the time frame of six to seven months to get

us to where we need to be to redeploy our services. You have natural boundaries as well as service boundaries. An example is you don't want to necessarily have a beat that goes beyond let's say highway 101. It's much easier to have officers assigned even if the calls for service in one particular area that might bleed over across a freeway it makes more sense for you to keep one beat on one side of the freeway. In law enforcement today intelligence led policing is the standard that we are operating in. You need to take the best data that you can get and apply it in a real time fashion to get the best and most efficient results with officers on the street. I'm here to tell you we do not have that capability yet but through your efforts and the efforts of many our automated feet react to it in real time. Right now it's difficult to hold some of our watch commanders responsible for fair that we give them the tools to do their job more efficiently. I do anticipate and the mayor asked a very good question of me, the other day, if we were able to expand we're not in a position there but at some point we will, how would we grow about a back, not that I think he offered me 10 million but I think I heard that number in there someplace. But the truth is it wouldn't necessarily all be about knell. It wouldn't. We have the opportunity to use technologies to pin multiplying officers putting cops on the dots or what they are calling hot spot policing. We are heading in that direction, we have been there with our GPS priority dispatch. Right now if you have a call in the city, if it's a priority 1 imminent threat to life or property, basically the closest officer no matter what their assignment has dispatched to that call. That has allowed us to still within a six minute target even though we've lost 300 personnel. That's what technology can do and if there's one thing I can say about IBM's report, is they are good on technology. They may not get it right on the resource part of this in my opinion but they've got the technology piece right and I think we need to work to get to that level. Just a couple of examples, I know you have heard this before because we use them every day. Our mobile every month in keeping and getting people identified so we don't have to spend three hours to bring somebody down to preprocessing to get them identified. It 23rd helped solve a murder very quickly the other day. We have had a victim that was dropped off to a local hospital, the person was a John doe, mobile I.D. device. Find out where they lived, went back to where they lived, identify the crime scene, suspects, take them into custody in a matter of hours rather than having a case that may or may not have been solved at all. 20 minutes to wry citation, it can now take us upwards of two. So you're saving huge amounts of time and you're able to track the data and send it over to the traffic court automatically without having to enter data on our side and the county side and send it back and forth. We are well on our way i'll close by saying and turn it over to the fire chief that as difficult it was to read the IBM report and not have my blood

pressure go up I will say this: You have some very professional police officers and firefighters that know how to do our business. We will take this in the spirit that it's given. We will use those things that I think that we can to become more efficient and you have my commitment on the part of the police department that we'll do our part. Willie.

>> Thank you, Mr. Mayor. Members of the council. I also would like to say the department our fire department has been about continuous improvement and we'll continue to be about that for years into the future. And I also recognize and appreciate the wonderful contributions that IBM's made. Worldwide in their area of expertise. In the case of this study though, I at the onset when it became fairly clear that there was going to be a review of our field operation, I had asked for some considerations given the expertise that I thought was necessary at that level. I did not find anyone on the research team that had any background expertise or experience in emergency response or public safety. I did not find the opportunity for them to consult any industry experts. There was very limited consideration, industry guidelines, national standards, or best practices, in what I think the most important thing was to ask IBM to provide us with some of the recommendations that they had made in the world of fire protection and emergency response. Where they had implemented those ideas, what the outcomes were and how close those were to expected outcomes. And I was unable to obtain any of those from them. And so had a lot of concerns in those areas. And probably the final concern that I had was that there were recommendations that were based on their own assumptions about our core services. In terms of our mission, stated as the department is prevention and response and I believe that one of our core services here is to provide emergency medical services to our community. It started here in San José about 50 years ago, it's been part of the fire service for many, many many years and I think that the evolution of it has been pour trade in it 34 years, I became a paramedic in 1980. And as I remember, it was based on the minimum staffing that our department needed to provide protection to our community on fire-related responses and emergencies that we might find that we thought if we trained our firefighters and equipped them to provide life supportive services in a very economical way and a very integrated way to provide that level of services. Our system both in Fresno county and this county have evolved over time to fully integrate all the partners in the system and we believe that has led to very significant improvements in patient care. Now again I mentioned that I had been a paramedic. I had been personally involved in starting two paramedic programs as a fire chief over the course of the period of time that

I've been involved in the fire service. I was involved as a leadership member of the steering committee in developing and implementing a system in San Mateo county that's been identified as a model in providing advanced life support services in the country. And so I have a lot of experience in this area and so I believe it is a core service and one that we should provide and can provide better than anyone else. In termination of how we deploy our resources, we do very scientifically in my eyes, we inventory our occupancies. We look at the demographics, the activity level and we look at the development information so we know what's going to be happening in our community and try to plan in advance for that. We have stated service level objectives that you all provide to us in terms of what we're trying to do with those resources and then we look at the likely events that we have not the major big events but the likely events that we would respond with those resources to, the types of task force that would be needed, the number of -- tasks that would be needed, actual in of people that would be needed to complete those, and then we consultant our council to make sure we're doing the things that would you like us to do. Excuse me I'm sorry I must have gone too far. Did I get to the end? I don't know, that chart that I wanted to -- what I'm looking for is a chart that shows staffing nationally within the country, and if I was able to find that chart what you would see on this chart is that of the top 25 fire departments in the country. And we would be in the 10th largest city, that per capita per 1,000 population we are the lowest in terms of our staffing. What's probably not as apparent as important is the number of firefighters to see in this city is larger than you would see. So the lowest population in that country of the top 25 is Memphis has about half the people that we have and they have more actual firefighters than we have. If you look here at the comparison on the county level, we have, we protect 57% of our population here in San José. We have about a third of the fire stations, less than half of the sworn firefighters and a third of the sworn staff that you have here. Thank you. In terms of the response time, that was one of the -- that's the wrong one. It looks just like this one. [ Laughter ]

>> Mayor Reed: Except it's in red, right?

>> Yeah, ours is red on the end, so -- [ Laughter ] in terms of response time, I was surprised to read in the report that there was a suggestion that response time didn't have any influence ownership the outcome of an incident and really it is the cornerstone of how we provide services. Most professionals think that flashover, that's the condition that ordinary room temperature reaches a temperature where everything in the room would catch fire

and the result was that you would find temperatures over 1,000 degrees, nobody would be able to live in that property damage goes up exponentially and very unsafe conditions for our firefighters. That happens over a short period of time. Ten minutes in most case, in some cases less than five. Irreversible brain damage starts in about six minutes so the longer we have in terms of response time the worse the outcome is going to be the more difficult the conditions are going to be for our firefighters. And the poorer the outcomes will be with our medical emergencies. Okay this was the chart that I was talking about. So that's the top 25 cities in the country. And as you can see, on the high side, Boston has 3.3 firefighters per thousand and San José has about I think that says 5 -- .598. So we are dead-last in the top 25. And the other side of that chart also indicated that in actual firefighters we're the lowest. One of the things that's similar, and there's a lot of things that are similar in terms of the take-aways that I got from the report was the suggestion that because our fire loss is low, that we don't need as many firefighters. And I look at it the other way. And it's important I think to report, in a more I think descriptive term and that's how much property that was saved that was directly exposed to hostile fire. If you look at our last three years our dollar loss, our fire loss was about -- was very similar. 26 million in 2009, 30 million in 2010 and 23, 24 million last year. But in terms of dollars saved, or property saved, in 2010, it was \$543 million that were saved as a result of our efforts. And so our involvement if our codes, in our response, in our aggressiveness have a lot to do with the outcomes of these incidents. Okay, next. In terms of company coverage or comparison to us and other city departments or other -- excuse me -- fire departments, one of the things that comes up a lot that you all asked me is about three-person staffing. And that's something that I think that is questioned a lot because of the types of calls that we go on, many of them are medical calls. And so the question is, why do we need four? Well, it is not only a question of what happens on the company, but it's also a question of what happens in terms of capacity of the total system. But if we were to reduce our company staffing we would reduce our on-duty staffing in 20%. delay the life support because they just wouldn't have the same number of people to do the same things. And so drug therapies and other advance therapies would take longer. We would be cutting our ability to extend hose lines on our initial responding companies on wild land fires and we would clearly delay our ability to search and rescue trapped victims. I think what was really important in this there was a statement in the report that San José has a policy that we will not allow our companies to go into a emergency until there is a second company. We can find that incorporate and we have no idea where they got that. In fact since 2003 we have do it with one company and so I just want to make sure that that's clear. And again this is a personal experience I've

been in departments that have gone from four people on an engine down to 3 and back and I've recommended to go from 3 to 4 successfully and the outcome is that when you go from 4 to 3 you see more companies are needed for the same calls because the tasks are the same and you see us taking longer on those incidents. That's not what I think will happen, that's my experience on what happens. The question is why can other cities do it? That's only company but this is an average sized battalion we have and definition of a battalion is a geographic area with a grouping of fire stations. This battalion is about 42 square miles. It is not a real battalion that we have but part of one of our battalions. It's got seven fire test, I think, yes. If you could click the next slide. That's roughly the same area as the cities of Santa Clara, Mountain View and Milpitas. And in this slide you can see there's 19 fire stations in those three cities. So the capacity at those cities have to provide services to their community and to handle the subsequent calls and the calls that happen at the same time is very different than what we have. In terms of innovation, our folks are all about that. In fact I've been talking to you today earlier about some of the innovations that our folks have been proposing. Our squad program is about to be launched in April. It's the results of a collaborative effort with our employees and it's something that I think is going to improve our ability to provide services and actually keep our larger pieces of equipment in service more often and in their district, which will improve response time. We have the consolidation of many of our fire companies again a efficient that we have seen. shorten the response time through automatic vehicle locators. We are standardizing our truck fleet. Mayor you just helped us with rolling outpulls point, another way we can' -- rolling out roll out pulse, point. How technology can help us, the next slide. We could use and we really do need better tools to collect and support data analysis and it was very difficult for us to provide IBM with some of the information. We really had to spend a lot of energy and time on that. And that's an area where we think we could really use some assistance. If we could link our communications centers together we think there'd be some real advancements in the facilitation of boundary drops and automatic gate. If we could tie some of our systems together and make them more portable, that we think that would further increase our efficiencies and that would make our firefighters more productive. And one of the areas that is a real concern to me, this isn't something that we can do yet, but if we can find a cell phone and locate it within three feet or so of where it is we ought to be able to find a trapped firefighters inside a burning building and we can't do that. But I'm sure the technology is available that we would be able to do that. So that's an area that we could really use the help. In the spirit of the report I appreciate the interest, and as well as the ability for IBM to help us in terms of the technology and evaluation, I think our employees are one of

the main reasons why we can do what we do with the fewest number of people that we have. They are completely committed and very professional and occurred use to our community and that's why our system works. Those are my comments, thank you.

>> Ed Shikada: And Mr. Mayor, members of the council for us to just wrap up the presentation, as the City Manager noted, she issued a supplemental memo that earlier but also, ongoing initiatives that will help advance the City's ability to continue to provide services in an efficient and effective manner. The City Auditor also issued a memorandum that connected many of the IBM observations to prior and ongoing audits, work and recommendations that are also reinforcing some of the opportunities ahead. And finally, that as we proceed with the initiatives that have been identified, several will factor into budget proposals that you'll see over the course of the next few months. Others may require additional resources so we'll continue to look for opportunities to partner with community stakeholders in bringing in additional resources and as appropriate, as perhaps embedded in many of the observations that the chief's made that there are some fundamental values and priorities to the communities' issues that might bear further discussion. And we would bring those back for city council and community discussion as appropriate. So with that, Mr. Mayor, members of the council, that concludes our presentation.

>> Mayor Reed: Thank you. We have some council questions. There's a, of council memoranda out as well but I think we will take the public testimony before we get into council discussion. If that's all right with my council colleagues, we'll do that. We have a lot of people who away want to speak, not everyone in the room wants to speak, but practically everybody wants to speak. I'm going to limit the speaking time to one minute. When I call your name come on down. Aurelia Sanchez. Mark ramster, Chris pickup. Please come on down. David Wall.

>> Hello, thank you for giving me the opportunity to speak. I was like the chief, my blood pressure went up when I read the report. I live in a very busy, active district, and when I'm reading the report and I think about what my life is like, on south 9th and Keyes, I'm thinking, what city were they doing this report at? So I hope that our councilmembers really read this report, think about where they live, think about where they shop, think about the



people that call them regarding our life of quality in this city and base it on common sense. And please don't base it on this report. Thank you.

>> Mayor Reed: Mark ramser, followed by Chris pickup and then David Wall.

>> Good afternoon, I'm Mark Ramoser the community advocate with Silicon Valley independent living center. My director and I were dismayed to find buried all the way back on page 97 of this report, a terse announcement that eliminate programs that are not aligned with the mission of PRNS. Lunch for senior citizens which was well addressed from the memo of three councilmembers and Grace community center which survived last year's budget bloodbath. How can they just in a vacuum target this for elimination, especially when, with more mental health money coming to the county from the state level under realignment, you could look there for an additional funding source. You can't just have these people come in and you know the city did get this report for free. So you get when what you pay for. You can't have them come in and analyze this in a vacuum. You need to figure out how important it is to the city.

>> Mayor Reed: Sorry, your time is up. Chris pickup, David Wall, Jim unland.

>> Mayor, councilmembers, councilmember Pierluigi. I am a San José firefighter. My name is Chris pickup. I've been here 14 years, this is my son Julian. I'm here fire department. After reading the IBM operation efficiency diagnostic report many San José firefighters thought it was important to provide you with information providing direction, on any San José fire department matters. As you have heard from the San José firefighters IFF local 230 we have serious -- okay -- we have serious concerns about the information that the IBM report provided to you. Your professionals have a great deal to say about the services that they provide, on a daily basis, to the residents and the visitors of San José and you should listen to them.

>> Mayor Reed: David Wall, Jim unland, Eric Hernandez.

>> First I'd like to thank the chief of the San José police department, and those folks who staff those departments, and I apologize as a citizen that my elected leaders would hoist such crap upon you in reference to the IBM report. The IBM report is not sworn. In other words, it's not truthful. In addition, is IBM a registered lobbyist because they're trying to sell something here. In addition the IBM report did not really analyze the true cost of government. They're just focusing on the areas that are going to be used in an coming ballot initiative. But if the IBM report was accurate, it would be producing a service to contract-out city management, addressing multiple years of deficits and unfunded liabilities created by extremely incompetent city council members. Thank you. [applause]

>> Mayor Reed: Jim unland followed by Eric Hernandez and Clara Zamora.

>> Good evening, I'm Jim unland , 300 more cops to deal with the hot spots in San José that would have made sense to me. As we move into this idea of hot spots keep in mind with our current staffing it means pulling officers from other parts of the city. To move them. They'd be pulled from contradicts like yours Councilmember Constant like yours Councilmember Oliverio and certainly yours Councilmember Pyle. My once proud police department is in decline. This report doesn't help that.

>> Mayor Reed: Eric Hernandez, Clara Zamora, Tony senseverino.

>> Mr. Mayor, council, my fame is 8:hernandez, I'm a San José fifther, been a firefighter for 18 years. I'm standing here today to by our San José fire department. , after reading the IBM operational efficiency diagnostic report many San José firefighters felt it necessary to before making decisions or providing direction on any San José fire department matters. As you have heard from San José fifthers IFF local 230, we have serious concerns about the information that IBM has provided you. Their professionals have a great deal to say about the services that they provide on a daily basis to the residents and the visitors of San José. You should listen to them. Thank you.

>> Mayor Reed: Clara Zamora, Tony senseverino, Tony Hayward.

>> My name is Clara Zamora and I'm a community leader with the Alma center community. We are here to tell you that the IBM report is ridiculous. It is shameful that our senior nutrition is being threatened because, in our side cooperation which is not in a place to communicate about seniors needs, decides that we are not a good use of the city funds. We pay taxes all our lives and deserve happiness in our golden years. A decent meal, and a community center is a social life with friends in order to avoid loneliness and it's not too much to ask, being able to enjoy our golden years with the beauty of friends and community around us is not too much to ask. Thank you.

>> Mayor Reed: Tony sense essenceverino Gail Hayward.

>> Hi, Mayor Reed and city council, my name is Tony senseverino and I'm a community leader with the Alma action committee. We are here to express our outrage regarding the recommendation of the IBM report. It's used highly questionable methods to propose ideas that are totally contrary to our values as residents of San José. Its reasoning is flawed and most important, it is out of place. Who is IBM to make recommendations about community centers and senior nutrition? If you wanted to know what to be done regarding our senior centers and food many of us who depend often for only meals of the day you should have come to the senior center to talk to us. Not a corporation that knows nothing about the topic. It is truly shameful that such a report is even being considered by the city council, and we ask you all to reject it outright. Do not privatize community centers and do not eliminate senior nutrition. Reject the IBM report. Thank you. [applause]

>> Mayor Reed: Gail Hayward, and after Gail, Rick e-rick palmer and Joe Rendona and Sorin coats.

>> My name is Gail Hayward, community leader with the Selma action center. wrong headed recommendationed to eliminate senior nutrition because it doesn't fit the PRNS definitions of ridiculous. Government should be about protecting the common good and not protecting absurd definitions in bureaucrats and others to surveillance to those who must use them. I use the Alma center regularly and greatly enjoy the friendship and community we have there. I enjoy eating lunch with my friends and having that time to socialize and get out of the house. Many of us would simply be alone and without a motive for these services to be cut. That is why we must instead of

relying on IBM to tell you what to do about senior nutrition programs. You should come to speak with us. After all we are seniors who actually use the services and greatly depend on them. It is.

>> Mayor Reed: Sorry, your time is up. Rick palmer, Joe rendone. And then soren coats.

>> Mayor, City Manager, city council members. I have a letter here regarding the concerns we have with the IBM report. The report is biased, it's slanted. From what I've even heard it was one of your friends that you asked to make the report, Mayor Reed. I think it's really disrespectful to the fire chief and also to the police chief to not follow their recommendations. Counselman Liccado, Councilmember Oliverio, wouldn't you want the members on your board making the recommendation to actually be professionals rather than some outside consultant firm? Take heed of what we side. Time are lies. Time are lies. Live to this, don't be hit with this.

>> Mayor Reed: Joe rendone. Followed by soren coats and Robert Sapien.

>> Good afternoon council and maybe mayor. My name is Joe rendone. I'm a firefighter with the City of San José. Councilmember identifies, Oliverio I'm a member of your many San José fifthers thought it would be important to provide you with information, any decision maker should have before making a decision. As you have heard, San José firefighters local 230, we have serious concerns about the information that IBM has provided to you. Your professionals have a great deal to say about the services they provide on a daily basis to the residents and the visitors of San José and you should listen to them. I'm also going to give you this report because I think you really need it.

>> Mayor Reed: Chief's already read it, give it to the clerk so she can get it to us. Robert coast, Robert Sapien Brian O'Neil.

>> Good afternoon council, soren coats, proud member of probably what's the best fire department, in the nation, station 1. Inflated assumption the report leads to you believe that the San José fire department has an excess capacity of 96% and therefore can be reduced in staffing and station. One of many erroneous data points is at

stake. For example Pete it states that there were 605 fighters in 1999, and only 338 fires in 2010. What does that mean pier? That means actually, in excuse me this is simply not true the drop of 45%. Not true. According to the fire department's own data there is 1091 structure fires in San José, more than 993 in 2010. An actual 80% increase. With data like that IBM claims it can predict fires, it simply cannot. I tell you what mayor, I'll make you a deal, let's let them start with something simple like predicting earthquakes and floods.

>> Mayor Reed: Sorry, your time is up. Brian O'Neil an then Augustin Milan.

>> Good afternoon, Robert Sapien. President San José firefighters local 230. Most of you I think got an e-mail from me this morning that outlines easy to find surface concerns about the report. I want to remind everyone here at the council, something you all already know. You can simply take the report and throw it in the garbage and that would suffice and we could get on with our lives, thank you. [applause]

>> Mayor Reed: .

>> Good evening. My name is Augusta and I'm a community leader with the Alma action committee. We are here to say that there is nothing efficient about taking food away from seniors like me. There is no way to squeeze efficiencies out of people like myself who simply enjoy having a warm meal and good company in our elder years. Efficiency is not appropriate city centers or nutrition programs. They are necessities for us. The meals we receive are already minimal and we suggest that reuse program be properly eliminated to see if it's even effective before it's put in efforts to privatize neighborhood services. We urge you not to balance the budget on our backs. We love Alma, and if you want to continue to cut our service center there is no way to be efficient with this. We are human beings and need to be respected and honored by services we hold dear. Let's work together for a solution for the budget that don't include faulty reports of third parties --

>> Mayor Reed: Sorry, your time is up. Brian O'Neil. Brian will be followed by Claudia Shope and forest Williams.

>> Thank you, mayor and councilmembers. My name is Brian O'Neil. I live in district 10 and I totally don't agree with the IBM findings. We cannot staff our police staff based on the best case scenario. Police and firefighters put their life on the. (technical difficulties) [ Technical difficulties ] Few little pieces but you need to reject it and listen to the people who do the work.

>> Mayor Reed: Forrest Williams. Ben fields.

>> My name is Forrest Williams. I'm a citizen and I'm here on behalf of myself. I reject the IBM report. I'm disappointed, because it's not complete. The assumption that because I see a graph that says crime is decreasing that I should also decrease the force or safety staff and I don't agree with that. We are increasing in population. So we're going to have that need in the future. So we drove that graph the way it is. The decision that were made by you and all of the -- made by you and all councilmembers that came before you and the staff and all the people worked hard to make San José one of the safest big cities in America and we will not give that up. The report makes a lot of assumptions and what I heard the City Manager say today which satisfies me is that there will be no reduction in sworn staff, that's important. Now you just give me the commitment that you won't impact the seniors and I will be happy. I want you to make sure that this report is going to be one in which we let our local people serve the community as the community needs. So I reject this report. Thank you very much.

>> Mayor Reed: Ben fields. [applause]

>> Mayor Reed: Ben will be followed by Al Ochoa and Jeff Barun.

>> Mr. Mayor, members of the council, my name is Ben fields, I work first the report is, not politically neutral. The reputation of IBM consult being is very much in line with the mayor's political agenda of fiscal as you tearity. He would not have commissioned the report otherwise. Second, IBM did not do this report out of charity. They want the City's business and the way they got their foot in the door with a process that was not competitive, public or transparent raises serious ethical concerns. This situation bears a strong resemblance to the scandal involving Cisco and the City's I.T. services. The real issue last to do with the report's emergency medical services, which

cuts could be used to justify, excuse me which service cuts could be used to justify recommendations themselves are deeply flawed.

>> Mayor Reed: Sorry, your time is up. And Ochoa is our next speaker, Jeff barone followed by:00 lineberger.

>> Hello, mayor, councilmembers and I have a packet here for Councilmember Constant. I'm a San José firefighter been here 14 years, live here, have kids that go to school here. I am standing here today to present you with information regarding the services provided by our San José fire department. After reading the IBM operations efficiency diagnostic report, many San José firefighters found it necessary to provide you with information providing direction on any San José fire department matters. As you have heard from San José firefighters, IFF local 230 we have serious concerns about the information that IBM has provided to you. Your professionals have a great deal to say about the services that they provide on a daily basis to the residents and visitors of San José. You should listen to them. Thank you. Is.

>> Mayor Reed: Jeff barone. Tom linebarger, Tom finger. Judge I've been with the city for 23 years now, district 6 resident so I'm standing here to present you with information regarding the service provided by the San José fire department. After reading the IBM operation efficiency diagnostic report, information that any decision maker would want to reference before making decisions or providing direction on any San José fire department matters. If you have heard from the San José firefighters IFF 230 we have serious concerns about the information that IBM has provided to you. We have a great deal to say about the services that they provide that we provide on a daily basis to the residents and visitors of San José. You should listen to them.

>> Mayor Reed: Tom lineburger, Tom Fink, Judy.

>> I'm Tom line \$barger, last year my wife had a stroke. It was quick medical service that resulted having no effect from that stroke and that's important. When IBM has-lacks the expertise to comment on these things and believes that time is unmonitor they're really missing the boat. I don't think this is a flawed report. I think it's a failed report. There's too much -- there's too much that IBM last to gain in doing this report and that's the wrong

way to do it. The report was written in the dark, without public input, and I think that this county should reject that report and base money savings on something other than that kind of flawed report. Thank you.

>> Mayor Reed: Tom linebarger, Tom Fink, Judy and then Brandon riggen.

>> I'm Tom linebarger, city government that we have a computer company driving a discussion about police work. It is a bizarre spectacle. Protecting the lives and property of our citizens is a vital service that is best entrusted to people who have been trained professionally and invested their lives but to imagine that computers will ever be a replacement for the professional leadership, the wisdom or the intuition acquired through years of experience is preposterous. Police work relies on human contact and community relationships and cannot be sourced out to machines. When I need help do I not want to have to rely on a system governed by an algorithm. To be overhauled it is critically important to have a community wide discussion led by the esteemed professionals here.

>> Mayor Reed: Sorry, your time is up. Judy. Followed by Barb Don Reagan and Connie Langford.

>> My mom has Alzheimer's. I'm here to ask you to consider our senior citizens when deciding where to cut. Nutrition is very most of them have the seniors count on every day, we will have more problems in the long run. My parents as well as other seniors sometimes don't remember to eat. They don't realize that the junk food that they are eating is not a meal. Please think of our elderly when making decisions that will have a major impact on the way they live. L ah after all they depend on you to make the right decisions for them. Don't get blind sided 50 IBM reports you are determined to believe. The IBM reports in a nutshell says that the city doesn't care about offering lunch programs to senior citizens whose healthy solid meals of a day in the company of others who raise their quality of life may come from that program. The city needs to come up with a way to take care of its responsibilities.

>> Mayor Reed: Sorry, your time is up. Brandon Reagan, Connie Langford followed by Maria Molina.



>> Good afternoon, mayor members of the city council. My name is Brandon Reagan. I've been a San José firefighter for the past 12 years. I'm standing here today to present you with information regarding the services provided by the San José fire department. After many San José firefighters thought it was important to provide you with information that any decision maker would want to reference before making decisions or providing direction on any San José fire department matters. As you have heard from San José firefighters, IFF local 230, we have serious concerns about the information that IBM has provided for you. Your professionals have a great deal to say about the services that they provide. On a daily basis to the residents and visitors of San José. You should listen to them, thank you.

>> Mayor Reed: Connie Langford Maria Molina then Howard Morton.

>> Mr. Mayor and members of the city council, my name is Connie Langford. As a member of a number of advocacy organizations, I serve as a voice for seniors who have no voice. As a member of the senior nutrition task force for nine months with a recommendation to save senior nutrition at a 50% savings to the city that was implemented. It is incredible to be addressing this issue again this year. Sacrificing public safety and senior nutrition is not the way to rebuild a healthy San José. I urge you to not proceed with the IBM registers. Thank you.

>> Mayor Reed: Maria Molina. Gillespie Alma action community I just the greatly enjoy the friendship and community we have there. I enjoy eating lunch with my friends and having the time to socialize and get out of the house. Many of us will be simply be alone and without a meal in and this service will be cut. This is why we must question the validity of the IBM report. Instead of relying on IBM, to tell you what to do about senior nutrition programs you should come to speak to us. After all, we are the seniors who actually use the service, and greatly depend on them. It is shocking that San José government will operate such a second political cover for a truly outrageous proposals. We urge you to reject the IBM report outright. I am sorry we are repeating ourselves about IBM. Thank you.

>> Mayor Reed: Sorry, your time is up. Howard Morton, John diligencer and,.

>> Cheek McDonald and chief Moore. Councilmember Pyle, I have your book right here. My name is Howard Morton. I've been with the City of San José for 14 years, newly promoted fire captain and make that happens why I got your book. I urge you to read the information in this book, read it and digest it and if you decide to reject the IBM report to take the information in this binder right here and the information and professionalism and the great attitudes and all of the knowledge of our city five cheers and our fire professionals and our police professionals and use that as the data that goes into the machine then maybe you'll get good data out of the machine. Thank you.

>> Mayor Reed: John dillingeg er (saying names).

>> Thank you for this time. I have a packet specifically for Councilmember Kalra. Dear Ash it says, I'm standing here today to to present you with the information regarding the services provided by our San José fire department. After reading the IBM operations efficiency diagnostic report many San José firefighters thought it necessary to provide with you this information that any decision maker wrote want to reference before making decisions or providing direction on any San José fire department matters. As you heard from the San José fire department, the IFF local 230 we have serious concerns about the information that the IBM has provided to you. As professionals, your professionals have a great deal to say about the services that they provide on a daily basis to the residents and to the visitors of San José and you should listen to they them. We hope that .open minedness and your forward leadership. I know how you represent your district and continue to hopefully lead the rest of the council to think and be open minded before they decide on anything like this so thank you.

>> Mayor Reed: Mike Marida, Teresa ramos, Ed Kinney.

>> I've been a San José firefighter for six years and I was born and raised here in San José. I am standing here today to present you with information regarding the services provided by our City of San José fire department. After reading the IBM operation efficiency of efficient diagnostic record many this information and the decision maker, would want to reference before making decisions. Or providing directions of any San José fire

department matters. As you have heard San José firefighters, IAFF local 230 we have serious concerns about this information that IBM has provided to you. As your professionals have a great deal to say about the services that they provide, on a daily basis to the residents and visitors of San José and you should listen to them. Thank you.

>> Mayor Reed: Ramos, Joe Kinney, Tom de Natali.

>> Mayor and city council, my name is Ares Ramos, a San José firefighters. I'm here fire department. After reading the IBM operations efficient diagnostic report many San José firefighters thought it was important to provide you with the information that any decision maker would want to revenue before making decisions. As you have heard concerns about the information that IBM has provided to you . Your professionals have a great deal to say about the services that they provide on a daily basis to the residents and visitors of San José. Please listen to them.

>> Mayor Reed: Joe Kinney. [applause] And then Tom de Natali and Ricky Perro.

>> Player, city councilors, I have to say this report is not a report. It's a bid. It's a bid for services. And you have pledged to have an open process. This is not an open process. This was something that was solicited by one member of your council, and the report is here, and now, you're requiring, what kind of process is this? You're requiring the police chief and the chief of fire to come forward in an open forum and bid, and plead to be able to have the services that they, as professionals, know how to coordinate. This is ridiculous. You got half the fire department and the police department here begging you to listen to them as professionals. What's this process all about? This is not the way to run a city. I urge you to reject this process and have a community based process which you used to have. Input from the professionals that you hire. To run your departments. This is ridiculous it is a travesty.

>> Mayor Reed: Sorry, your time is up. Tom de Natali. Excuse me, just wait one second. Tom will be followed by Rickyharro.

>> I'm Tom Denatali. I happen to be an IBM stockholder and I also volunteer regularly at sacred heart community services trying to get people to attain jobs. When I read the report it said for discussion purposes only. And what that meant to me, is it's one of many things. And what's missing are the many things. And I think the room pretty much said that. I came originally, and the people from Alma did an awesome job of telling me don't given -- don't get -- don't eliminate lunch for senior citizens. But, you know, if you take the library situation, where books are going to disappear, we ought to get rid of libraries. That's not the point. It's a meeting place and we need those services. Thank you.

>> Mayor Reed: Vicky Harrow, Steve Kline. Go ahead Steve I don't see Ricky coming this way. Maybe I'm mispronouncing this name. Steve and Bob Brownstein and George Tahima.

>> Good afternoon, mayor and members of the council. My name is Steve Kline. I'm honored to present to you today a petition circulated through the electronic media and has hundreds of signatures. It states, we urge you to reject the IBM operations efficiency diagnostic report and its recommendations. Do not waste any of city staff's time or resources analyzing this misgated report. We urge you to take the report, put it on the shelf and let it accumulate dust. Never to be seen again. San José deserves much better. Thank you. [applause]

>> Mayor Reed: Bob Brownstein. Then George Nemay and Anna Bell Barios rivera.

>> Mayor and council, among the very proposal that the city should stop providing EMS services through the fire department, because it is not required by the city charter. To be blunt, that's plain nuts. The charter does not say anything about the specific services that should be provided by departments. It delegates that role to the city council. If you are going to say the fire department should not provide emergency services, because of the charter doesn't say so, you might just as well say, you're not going to have stop signs and street lights because the charter doesn't call for that, either. Even worse, the last comprehensive review of the charter was in November of 1986. When the fire department was deeply engaged in providing emergency medical services. So IBM would

have us assume that when the voters approved that charter they didn't mean, let's have a fire department doing the services of 1986. They meant let's have a fire department doing the service of 1936. That makes no sense.

>> Mayor Reed: George Nimay, Anna Bell Barrio rivera, Blanca carbahal.

>> My name is George, I've lived in the city almost all my life, my daughter Caliha, come to speak for me my wife and my daughter. We don't agree with the IBM report. when I'm home I can take care of them myself and whenever I can't I need a little help so I want to have the good cops and firemen to help me out. When I'm away from home and I know I can't be there for them I do rely on the city services to protect my wife and my daughter. I encourage you to keep the services as highest levels possible. Thank you.

>> Anna Bell Barios and.

>> My name is Anna Bell barios rivera. I'm here to speak about the IBM report. I am not content with this report. And I disagree, I do not think that the city should be cut, this excessive amount of 40%. I think something more rational maybe 10% but I personally would not like to see any cut backs or setbacks for the police officers in the line of duty to service the civilians or the firefighters. I think that it should be considered the damage and the unsafety factor for all of us civilians out there walking in the City of San José or any neighborhood, of the effects that it could cause not to have a telephone answered, of a police assistance during a crisis or a crime. And I think police officers should be better trained and with the assistance of a shorter time frame.

>> Mayor Reed: Sorry, your time is up. Blanca carbohol, Tormelo moon and Damien Gomez. [ Spanish ]

>> Interpreting what Blanca Carbohol just said in district 3, she is saying in our district there is lots of gang violence and pros city tuition. If we canfully control it now, they may then we won't be able to control it then. Her experience she was robbed on a daytime after going to church. They she filed for assistance from the police officers they told her that she had to filing the report online and it made no sense to her. Oto have to file her police

report obl. And basically what she's saying is technology would be helpful if police officers could file the replies reports for slings it is of call.

>> Mayor Reed: Our next speaker is Tomaho moon followed by Damien Gomez and Taj Shihu.

>> Hello good afternoon mayor and city council members. My name is again Tamico moon I live here in San José in the downtown district. I'm a recent graduate of San José State university as well as a single mom and as a single mom I am a graduate here, I greatly appreciate the city of in. I want the best for not only me, my daughter and my neighbors. My daughter had a water incident and in the water incident she lost consciousness. The first people on site was the firefighters and EMTs. My daughter is happy, at school, playing. But I just wanted to thank them for their first response being there quickly and on time. And providing the CPR and the medical care that she needed at that time. I also want to express --

>> Mayor Reed: Sorry, your time is up. Damien Gomez, Taj Shihu and Sergio Jimenez.

>> Thank you mayor and council for the opportunity to speak. My name is Damien and I'm a current college student. I want to tell you guys for an incident where my mother fell and broke her ankle in the garage. We called and it was the firefighters and EMTs, it took us a few minutes to get there. Living just a few minutes from the fire station, I felt those minutes were too long. We were waiting but as soon as they got there they were professional and reassuring. But just the response times and stuff they shouldn't be as long. This report's very biased that IBM stands a lot to gain from it and we wish we could have seen a comparison report in order to try to distinguish the differences between the reports. So thank you very much.

>> Mayor Reed: Taj Shihu (saying names).

>> Good afternoon, thank you mayor for the opportunity to speak today. I just want to ask the question why IBM? IBM has a failed history when it comes with dealing with issues like this. Did I a little research and I learned that in Indiana governor Daniels tried something similar to this and the outcome is ended up cancelling it, it's a

\$1.3 billion ten-year outsourcing contract and stated that it looked good on paper but didn't look good in practice. This report doesn't even look good in paper. This report is flawed. In dealing with the cutting of public services such as police and firefighters and senior nutrition you need to refer to the people who actually benefit from these services and also, the professionals who provide these services. So using computer technology companies such as IBM to deal with something like this isn't what's best for the city. Thank you.

>> Mayor Reed: Sergio Jimenez, Paul Alvarado. Paul Gatfield.

>> Mayor I'm here because I'm concerned about the IBM report put forward for your consideration. I'm concerned about the openness and transparency. Not given enough opportunity to provide their thoughts and concerns. I fear this council will give more weight to the numbers provided by IBM as opposed to listening to the community apples concerns and needs. Adding to the openness city departments. Common sense tells me that we as a city should be wary of a company that puddle forth registers that will directly benefit them if they are implemented. I think we need truly independent process if the goal is to evaluate city departments for productivity and efficiency. I find it troubling that we as residents were kept in the dark until these recommendations were maids public. As a resident who cares about the elderly I was appalled to learn that IBM has recommended the potential legislation of lunch programs for seniors because it could be considered peripheral --

>> Mayor Reed: Sorry, your time is up. Paul Alvarado, Emily Gatfield Lucy Moran.

>> Hello, members of the city council, thank you very much. I'd like to go along with the police department and fire department for any organization to set up anything like that and be that much wrong, I mean especially looking at the area, San José is much more different than any city, I'm born and raised here, people have their cutoffs and that should be looked at a little closer, for somebody to do that and not look at it enough to see all those things makes it hard for me to think that they're doing a good job. So thank you very much and I hope that can you understand that you've done a great job so far in changing things and you've been the city council that has changed the most things as far as I'm concerned, you've done more for the city to get things in order than any other city council I've ever seen so I really appreciate your help and your understanding that the people just don't

understand this situation. It just -- for them to be that much against these people who are trying their best to do what they can. And to want them to be less, is hard. And I know you already --

>> Mayor Reed: Sorry, your time is up.

>> You've already decided against that, I heard that also Thank you.

>> Mayor Reed: Emily, Lucy, Joshua.

>> My name is Emily Gatfield. I am a resident of and homeowner in district 3 and I am a curious sort of a person so I wonders when I look at this, what objectives were produced for IBM, what were they asked to produce for us, what information were they given in order to produce this report, this commercial report, presales document. And that makes me question what happened to the idea of sunshine and transparency within government. I realize those are buzz words nonetheless, thank you for your time and opportunity to speak.

>> Mayor Reed: (saying names) I'll dep thank you mayor and city council members for allowing me to opportunity to speak to you concerning our senior citizens. We're all going there eventually and you know, all these people are very vulnerable citizens to have -- contribute a lot in our society and consequently we've had great programs for them. And I thank you for allowing them to participate and have a wonderful time where they fellowship together and believe they contribute by getting together to these nutritional programs that you have been providing for them and please don't cut those programs because without this community, fellowship a lot of our senior citizens will -- they'll feel left out like they're not contributing anymore because they're not getting fellowship to stand on your feet and cook and it's just -- just too hard. And we want them to enjoy life, a few years they have left before they end up in these retirement homes where they're forgotten. I'm a chaplain, I go and pray for all the elderly that are there.

>> Mayor Reed: Sorry, your time is up.



>> So thank you.

>> Mayor Reed: John, Steve.

>> Good afternoon Mayor Reed and esteemed council. My name is Josh Bruce, I'm here on behalf of the City of San José's human rights commission and I'd like to urge you to please reject the IBM analysis which reflects the complete disregard that we -- excuse me reflects a complete disregard for the negative impacts of the quality of life here in San José. I have lived with my 86-year-old grandmother in district 8 for the last five years and I can attest firsthand how much we have heavily relied on these essential services to provide safety emergency services and safety space for our vibrant senior community. Urge you to accept the memo drafted by councilmembers Kalra, Campos and Chu and reject this report as the many extreme recommendations it contains reflects bad judgment and the council's lack of judgment for the quality of life for San José residents. Instead please focus on ideas like the no cuts budget from people who want to make our city safer healthier community for all who live and work here in San José. Thank you.

>> Mayor Reed: John Mr. Mayor Reger, Steve, Marie.

>> Good afternoon, honorable mayor, honorable members of council. My name is John Reger city employees 20 years. Point 1, what are the qualifications of the analysts, do they have any city experience at all? Fire experience any any at all, no. Point 2 what is the basis for their assumptions what criteria do they use, point 3 the fire chief mention heed national standards. Did they use one fire mandatory their analysis? What was it? Point 4, why are you reading and considering a report that is not based on national standards, not prepared by people who are qualified, but prepared by people with no experience. Point 5, they propose a 25% cut save money why not 100% cut. We can change the definition of crime and fire they'll no longer exist. Great. Point 6 what can the chief do with these hundreds of hours he supported his staff, maybe doing something truly productive. Thank you.

>> Mayor Reed: Steve, Marie and then Richard.

>> Thank you. I just put this together at the last minute. Mr. Mayor and council, I'm Steve barinientotos. Senior nutrition can't be taken from the deprived. It's not fair people of the community such as Alma, the real original goose town. That's where the immigrants and people have been in the past. If you take that away from them you're taking their lives. Do any of your parents if they're still alive attend these communities? Maybe you should attend with them because this is getting really old. As far as safety try the safety in our community. The police don't do a good enough job, so well, somebody is not doing their job and it starts here, thank you.

>> Mayor Reed: Marie hadder followed by Richard McCoy.

>> For the past three years I've been a member of the senior citizens commission. Is their lunch program now, in addition to that required socialization, 73% of those have said that it is their main meal of the day. The nutrition is as important as the socialization there. And I think that IBM has taken a really easy, cheap shot at the seniors and they ought to have been embarrassed about that part of their report.

>> Mayor Reed: Richard McCoy.

>> Good afternoon, mayor and council. I must say I've had the pleasure and opportunity to visit all the senior nutrition centers in the city. And talked with a lot of seniors and socialized with them and the thousands of meals that we serve each day to our seniors is very important when 750 of them say it's their prime and/or only meal of the day. To deny them that meal would require them to seek nourishment hot plate which could cause a fire and our fire department would have to respond to it probably at a much higher cost. I think that the seniors deserve to have their nutrition. I think they need to be shown respect and dignity as our patients and be treated as real Americans, thank you.

>> Mayor Reed: Thank you, that concludes the public testimony. It is now time to get into our council questions, comments, et cetera. I'd like to start by asking the chief, fire chief to put your graph back up that showed staffing levels, we had one for the police one for the fire they both pretty much looked the same. And I think that graph for me illustrates in some ways the problem that we're facing. All right, can you see that we're at the bottom of that-

you can see that we're at the bottom of that list in staffing. there's to just no way around the fact we are thinly staffed and we're at the bottom of that list. And unfortunately, despite the great work of the many people in our department there's really not much prospect for us climbing up that list in staffing. It would take hundreds of millions of dollars probably per year to get up to average among these cities in their police and fire departments, I just don't think that's in the cards given the financial situation we're in. And the question is, how can we improve service, how can we cope with a growing population, knowing that we're lightly staffed? To describe it politely, I guess. And that gets us to data and analysis, and some of the things that have been suggested by IBM. And the reason we can't really have much prospect of climbing up that list is, the fiscal situation we're in. And if you look back at the last ten years, police department in particular, the budget's gone up by about \$96 million over the last ten years and yet we have less police officers working for the department than we had ten years ago. And the same is pretty much true for the fire department. So I think we'll be fortunate if have ten years of flat in the future. We're not going to climb back up this staffing ladder just because we're not going to have the funds, even if we wanted to, we're not going to be able to do that. So that brings us back to how can we, to quote one of the speakers, he just wants the best service possible for his family. How do we do that? And I think that's the task for all of us. Professionals and the policy makers, to take this IBM report as a starting point, identifying some opportunities for delivering better service and being more efficient and more effective, and then work from there. I have a couple of memos out that give the background of why I asked IBM to do this work for us. But there's a story that was in the New York times about ten days ago. That talks about police departments across the country, led by New York's department, used computerized mapping analysis of variables like historic rest patterns, rainfall and deploy officers there in advance. That's what the chief said, we don't have the capacity to do that. We are 20 years behind New York City, when they implemented their comstat program which is largely responsible for them becoming the safest big city in the country. We are the capitol of Silicon Valley, we should be leading, unfortunately we're not. That's why I posed the question to the chief, chief, if you had \$10 million to spend, how would you spend it, most efficient, effective way to spend it to save our families, it's not necessarily add back some of the officers. We can't possibly do this with just increasing the number of firefighters or increasing the number of firefighters. We have to be smarter than that and we have to use data analysis way that we haven't. It's not just the police and fire departments. In my memorandum I made use of a report that mayor Bloomberg used boston Philadelphia, Newark are already doing things that we should be doing. I'm hopeful that as if staff looks at

the data and identifies opportunities that we can figure out ways to take advantage of data analysis to deliver better services for our people. I agree with the City Manager's work plan. I'm going to support that and I also agree with her conclusion that she's not going to bring forward reductions in staffing in our Police and Fire departments. That's not what this report tells me. It tells me there are ways that we can improve services and we should be doing that. The City Manager's staff report identifies some of the things that the police and fire department are already doing. Having two person squads to respond to emergency medical calls makes more sense to me than eight or ten people. Many of those calls should be handled by ten people. We should do that, I'm not saying lay those people off, I'm saying make them available to respond or the other emergencies. That's what this report should be used for, to figure out how to do that and so I'm going to support the City Manager's recommended work plan. To come back to us, after a process, political, public, you name it kind of a process. It's going to take a while. So this is just a referral to the staff. I'm not endorsing any of the recommendations, councilmembers are not being asked to endorse any of the recommendations in the report because our staff really hasn't had a chance to make their recommendations on it. With that I know that many other councilmembers want to speak on this and let me get to the list. Councilmember Liccardo.

>> Councilmember Liccardo: Thank you, mayor. And thank you all the members of the public who came out to speak. I think we all appreciate that, with the very scarce resources we have, the remaining officers and firefighters and folks who provide senior nutrition in our community are highly valued. And I don't think there's going to be anyone, I'll speculate, I don't think anyone on this council is going to be advocating at budget sometime for forced reductions on fire, police or senior nutrition. So I think it's important that I think everybody be very clear about that. That's not the recommendation of the City Manager and it's certainly not my own recommendation either. I agree with the chief, who indicated you know we've got the best qualified highest skilled force in the country. And that's both on our fire and police department too thinly staffed forces. We recognized recognize we would all love to have more officers and more firefighters if we had the money afford them. I'm thankful very much for Chief McDonald's proposal as described in the City Manager's memo and his work with the bargaining units to explore a two-person medical response team. I think that's a fantastic development and I hope that is successful. But I am -- I continue to be optimistic that we can rely on outside sources, and we have to vet this fully obviously and we've got a lot more thinking to do but we can rely on outside forces to help us understand

how we can be more productive and efficient. And that's an important question for all of us to address. I do have some concerns about the IBM report and I see I've got a binder in front of me that raises a lot of questions about the data. I certainly don't pretend to know anything about the quality of the data that's been used by the IBM consultants. I do have some questions though about the methodology. And chief I was hoping that you -- I'm sorry, our police chief, chief Moore if you could give me some insight. They seem to conflict product liability, I'm looking at pages 12 and 13 and some of the pages on the PowerPoint slides they have. They seem to conflate productivity with that is that somehow or another an officer is productive, we can measure an officer's productivity by the number of crimes per officer. Which seems to me to be a really odd and kind of backward approach to things because we tend to think of productivity as something that gives us a good result and we would all prefer to have less crimes per officers and rather than crime processes, I think we would all agree that the output would be crime prevention or maybe crime resolution in solving. Is there any way out there, I recognize these are things that are difficult to measure but are there ways for us to be really able to measure apples to apples our productivity in crime prevention, has anyone figured that out?

>> Councilmember, thank you very much for the question, it goes to the heart of what you're describing unfortunately I can't find the exact slide but I know the point. A lot of what we do in crime prevention is cheaper to prevent crime and part of that is our visibility in deterrence on the street but that's not the only piece. So it is difficult to measure what you prevent. Same thing with fire prevention, not just a police phenomenon. And I think what the bisexual analysis did, they had to discount that because it's hard to measure. They went back and they said they researched, they looked at third party research and I've spent a career with that same third party research, quite frankly all of the social scientists would tell you if we had those answer we would be millionaires and they're not. The best we can do is bring forth the data. You bring data to best use, and try respond to it but it is more than one prong. And I think what we got in this analysis is pretty much one prong and that may be oversimplifying, it is difficult, I don't think there is an answer how do you measure your crime prevention efforts other than how has your crime statistics been, I will tell you in San José it has gone down significantly the last 20 years, granted, it's gone down all across the country. What's causing that, in good times and in bad, we don't have the answers to that either. About.

>> Councilmember Liccardo: People are scratching their heads trying to figure out why crime has gone down as dramatically as it has since the 1980s. Criminologists will come up with all kinds of theories. Back in didn't always match the experience on the street and that often a community's level of fear could be a better predictor at times am it's obviously anecdotal and far from exact but could be a birth predictor of the real peril around them. People may be going outside as much they're installing additional you know locks on their doors. Whatever it may be, that may reflect their level of fear and may really reflect the level of criminal risk, even though crime numbers are going down. And I guess when we look at this downward slope I think about lots of factors that may affect how crimes are measured. And one thing I that I worry a lot about is reporting. And particularly, as we as a community, I think we all recognize we're more diverse than we were in the early '80s, probably more of us speak a language other than English, maybe more of us are grants do you have some concerns about whether or not some this downward reflection ton data is actually just a lack of reporting or reduction in reporting?

>> If I could before I give you the direct answer to that, I want to go back to something you said about fear of crime in the community and implications for that you other cities around the country and ours is very high. And that's in part due to council's policy because of outreach. I think people willing to come out and express their concerns in all parts of the community are really important. And why we are successful in driving crime rate down. Now, with respect to reporting, there is always a concern that the true numbers are being masked by people not reporting, particularly those in immigrant communities, particularly in fear of law enforcement from their own countries. I was at Mayfair the other day with the independent police auditor with some young mothers, recent immigrants monolingual Spanish. The message I kept reinforcing is we need to have reporting and they need not fear us to report it. We give them many mechanisms to report just so we don't have that phenomenon. I'm not so concerned in San José, there is a piece of that and it will be in any community but I think we do a better job than most in tries to minimize that.

>> Councilmember Liccardo: I appreciate that and I know it's a never ending debate about how we measure what we can't measure so I appreciate it's a hard question. The last question hi really had to do with both something both you and the mayor said. We see all the newspaper articles about predictive at littics and how it's being used in Santa Cruz and other parts of the country. We're not able to do what we'd like to be doing with data

bus I've been told for many years now that for a couple of decades we've been putting cops on the dots and we've been utilizing data to drive forced deployment in various ways. I'm trying to understand really kind of what the difference is between the plea dictive analytics we keep predictive analytics we keep hearing about and what's the delta?

>> In predictive analytics, I've spent lot of data and they're really interested in this because they see the potential for savings and deployment model savings. What we're seeing is it's not there yet. The algorithms the professional of Santa Clara who is really pushing this he's testing his in Los Angeles against the typical or the traditional com stat model that Bill Bratton came to Los Angeles with, they're testing it to see if it's better or worse. My thought is that we not be at the front end of that but we watch that as it develops over the next year or so and see how big that delta really is in experience as opposed to somebody just trying sell a data analytics product. nationally that we get years of data that will tell us okay on these dates, at these events we're going to see a likely increase in crime. It doesn't really take rocket science to say if you have a major sporting event in your city that there's a risk for pickpocketing and major assaults.

>> Councilmember Liccardo: You figure that out already.

>> Yeah. But the things I think people are looking for is okay, if we know in a certain part of our city, on a certain day of the week we're seeing a trending pattern to daytime burglaries but we did that in the past and didn't have the competing capacity, that's how we ended up with the tabs program. 30 years ago, were we trying to find out if it was a daytime turned out it was actually kids coming out of school during school hours and we pinpointed times that's what it was. So we focused, this city focused resources on truancy abatement, which led to other great things, the relationships we have so we did our own analytics much more crudely back then but we have done that in San José and we have been at the forefront but we don't have that computer piece and high ends algorithm yet. We're looking for it though.

>> Councilmember Liccardo: I appreciate that. I think we can all agree there are some problems with this report and I don't think there's going to be anyone that disagrees with that. And certainly serious question has been

raised about the data and the methods and things like that. In the City Auditor's report there are questions that have been raised before and I don't think we should be afraid of those questions and that's why I encourage us to ask the questions even though we don't buy all the conclusions.

>> Mayor Reed: Councilmember Herrera.

>> Councilmember Herrera: Thank you, mayor. First of all I don't support reducing any Police and Fire positions and I don't support reduction the senior nutrition program. You know we receive hundreds, I don't know how many reports this city receives lots and lots of reports, obviously, not all of them end up in front of council. And the IBM report from what I understand, from reading the City Manager's memo, was part of cities that were evaluated by IBM, had a benchmarking study, and they have a program where looking at cities and trying to come up with information. So I'm not suspicious of how this report came into being. But the data and some of the conclusions that are raised in this report I take issue with. Especially pointing out, suggesting that we reduce the numbers of our Police and Fire department. And I think folks have come here rightly concerned about those kind of recommendations. I want to talk a little bit about prevention. So IBM deals with having to convince customers the need for prevention and it has probably had just as much difficulty in trying to measure that. I worked in Silicon Valley companies, I actually New York software security and it was a huge challenge for us to convince smears that they should adopt prevention measures because it's difficult to prove they need it until something happens. So even in technology, technology companies struggle with the same thing of trying to figure out how to measure prevention and the value of it and especially whether they have solutions. They're trying to go sell to other folks. So I think they would understand that it's difficult to do that. I think San José does an incredible job and a lot of what we do right is prevention, as has already been said. And I really spent a good part of my time, with you chief and other chiefs out there in the department in doing that preventive work. It is tougher to measure that but I think nevertheless we need to stand by what we know works, because that kind of you know interaction with our community creates trust. It builds neighborhoods. And we have a good community. And I think a good community, a good police department in partnership is what helps keep our crime rate down. I think that there's some information here that's probably useful and I think staff can sift through that. I'm just a little bit concerned that because of some of the major headline-type of things in here that it causes a lot of concern for our residents



bringing in here today. So I would support it going to staff for the things that can be used. I would not support some of those headline items that I have already mentioned. Not support moving forward on those items.

>> Mayor Reed: Councilmember Pyle.

>> Councilmember Pyle: Thompson. I'd like to begin by saying that at least four assembly members from California assembly have written in to say please please please do not accept this report. I'd like to talk for a couple of minutes, maybe not that long about Watson, if you recall Watson is that cute little computer who won over Ken Jennings who had won 64 jeopardy pursuits out of a row and became quite wealthy as a result. So Watson is always looking for predictable answers, finite answers. And when it comes to Police and Fire, there is not much that is predictable about any given day. Or where any given results. -- with any given results. Predictable analytics don't necessarily work with Police and Fire. I'd like to say too, when they talk about comps, you have some up on the screen, the firefighter comps, the police comps look just as bad. At least keep the comps within the state. These are all over the United States. And I say why keep it in the state? Because weather in other states affects their crime rate. For example, they have snow, severe storms, tornadoes, et cetera, which prohibit people from going out of doors and they certainly prohibit crime. Thirdly and mostly because of the community policing, our crimes are caught faster, and there is a better communications system, and there's more feeling of good feelings amongst the people in the community because they know that there is some backup out there. That would explain our rate drop. And then also, some of the figures don't mention certain years. What about 10 and 11 in revenues to some of the statistics that are given? There's also some invalid assumptions, regarding Police and Fire particularly. And then this one really got me. On -- I don't know what page it's on but property damage is not impacted by response times. Really? Because if a house is on fire, you cannot convince me that it can take forever to get there. There's definitely going to be an impact. Especially if it's your house and emergency and health, please don't tell me that it doesn't make a difference. That is absolutely ridiculous. On page 19, it says, well, part of the problem is the thinking process. What business processes are we going to use? In case somebody hasn't noticed, this is a government. This is a city government, this has nothing to do with business processes. And then, thank you, you can still clap. [applause]

>> Councilmember Pyle: And then do I want to say that how and why did this come forward, without -- I mean there's been a lot of angst created in the community. And I think if anything we need to come up with a better process so that we can vet this through staff before making it an issue for everyone to be worried about. And then additionally, much credit should be given to our very own Sharon Erickson, who is very good at looking at reports. In fact some of the suggestions that she has made have brought forth some changes for the city. And I know you've gone through a lot of reports, Sharon and found things in them that were very, very helpful. That's basically it from me. I just couldn't believe some of the things that were suggested. And I'm very disturbed about how -- oh, wait a minute, there's one more. The selective information was used in to not only the firefighters but the police as well. And then when I found out oh, this is a free report. There's nothing free about a report that requires our staff's time, and that particularly of our fire and police chief, to use their valuable time to answer questions that could be fed into Watson. So he must have a bad case of indigestion. Thank you.

>> Mayor Reed: Councilmember Constant.

>> Councilmember Constant: Thank you. I'm not going to repeat a lot of stuff I've heard. We've all talked about how difficult it was to lay people off, in both the Police and Fire department, in fact, I went on for over 48 minutes last time, as much to many of your dismay, about the layoffs and reductions in the police department. We spent over a year dealing with the senior nutrition issues and making sure that we were able to preserve that service. But with that being set, it is important to say what this report is not. What this report is not, is, it is not a declining our budget. It is not a change to our staffing. It is not an implementation plan that either the council or the City Manager has said that they are going to run with. What it is, it is a tool to help inform us in the City of San José as we go forward. every time we look at things whether it's an auditor's report or budget documents that come from MBAs or BDs that come from council. There's always significant knee jerk reactions. The police chief talked about his knee jerk reaction too this. I don't think it's fair to disparage IBM for produce it as it has been done a number of times. It would be simply as wrong to ignore the report, just as wrong as it would be to implement it without analyzing it. Neither one of those are appropriate. We need to look at this in context of our decision making as one of many items we have as was mentioned several of Sharon's reports, we have had grand jury records in the past, budget documents, all of these things should be looked at together. There were

several things in this report that we've heard before. A lot of it's not new information. It got people riled up. We would be doing people a disservice if we would do as many people have suggested that is summarily dismiss it not even look at it because there is valid information in there. Maybe not all of it applies to us, maybe we don't choose to act on some or all of it but we need to do the analysis. Year after year we go through the budget process and we hear from residents, we hear from staff, we hear from departments, that things simply won't work. You can't do this, it will not work. But many times, those exact same things come back in the next year's budget as solutions to our ongoing problems. We have to remain open minded, we have to look at this, in context, I think the mayor's memorandum is the appropriate avenue for us to go, and that's to accept the City Manager's work plan and the analysis and ask many of the questions that the mayor has in his memorandum, and probably, many more that both our chiefs have, and our City Manager has acknowledge and our director of PRNS have. So that we can find the best thing that we can do going forward. You know, we've come into this latest downturn as we've faced all these deficits. Over the last ten years or so we came into this doing the same thing we've been doing for years. We've been -- this organization has been delivering services much in the same way it has for decades, in many of the areas. And as we come out of this downturn we've pared the city down beyond the bone. We have to come out a new machine in the 21st century. We know that predictive policing works in certain areas, we should be looking at that as a possibility. It may not look the same if we decide to do it leer but we should come out of this constrained budget time looking different. We should be a 21st century city. We should be looking at every single thing we do whether it's police services, fire services, janitorial services or services at the zoo or anywhere in between. We should be looking at all of them to find out what is the best way that we can come out of it and that means look at things like this that you may not like the message, which by the way doesn't mean you kill the message, IBM, you look at it, you take it into account and you move forward. I don't think we've had a motion. I'd just like to move the mayor's memorandum which approves the City Manager's work plan and all the other stuff contained in it.

>> Second.

>> Mayor Reed: All right, we have a motion on the floor some additional comments I'm sure. Councilmember Campos.

>> Councilmember Campos: Thank you, mayor. You know, we've sat here and listened to a bunch of testimony. And I think the one thing that we've gotten is this is a report that was made by, you know, analysts that probably have no clue about this city. We have the institutional knowledge, the expertise sitting right here, in this council chamber, the two chiefs, we have a City Auditor I mean that have given bits and pieces of what was in this report to us already. I think what this report has lacked is, it's lacked, what's that saying, the management by walking around, just go on a ride-along, I went on a ride-along a few months ago and it's heartbreaking to see on that computer screen in the patrol car all of these calls that we can't get to. And yet, we're expected to take this report seriously when it provides a suggestion to reduce our police force by 400 officers, or our fire department, by you know, two to 300. It's just making suggestions on whatever data or incomplete data that they might have gotten or even done research with criminologists across the country that probably studied other jurisdictions but have no idea about this city. I'm going to give you a couple of where it hits home for me. Two of them happen to be fire-related. One, couple of years ago when I was walking precincts I came upon a home, in about two or three blocks from my home, was talking to the residents, noticed there was a house that was burned down across the street. So I asked them, hey are those folks okay, what happened? And they told me that two of the people that were living in there, they were invalid, they need assistance to get out, they were deceased from the fire. Happened to speak to some firefighters from station 16. Asked them if they remembered the fire, and they said they do. And what was heartbreaking to them was that they were out in another call, and they talked about the time that it took for another vehicle to get there, was the difference between I think it was two minutes. You know, two minutes from the eight-minute time frame that that's supposed to be the standard. And they told me that those two minutes that was the difference between life and death for those two people. You know what, we might be able to put it on a piece of paper and say you know what yeah, it pencils out for us and we have to tighten our belts and make those tough decisions. But to those people that live unblownstone court that don't have their loved ones in the family you can probably tell about what they think about this report. Second incident hits even closer and it's very similar to one of the young ladies at a came and spoke. You know with her kids having a water incident. A buddy of mine like a brother of mine, his little girl you know basically almost drowned but I learned a new term. The fire department classified it as a nonfatal drowning. And again, when I was talking to some of the firefighters about that, they had told me that one, they invited the little girl to the fire station after she

went to the hospital and everything was okay. But they told me that they can go through a whole career, and never have a nonfatal drowning, a good outcome from a situation like that. And they wanted to be able to see the little girl, you know in a lively state and you know and visit. And if it wasn't for the fire department, you know, and this was a case where the -- they were able to get there within actually was quicker than the allotted you know normal time frame. But again, you can't put a price tag, you can't put that in a report. Because you can't put that data into a report. You know, I respect the data and the process of going through the data. But we have the information here. You know, we deal with it every day. During budgets we're going to get even more of it, a more in depth analysis than what this has given us. And the last thing I want to mention, you know we will be judged on and are being judged by how we treat our-s. And we have to stop putting dollars and cents to whether or not we should be giving seniors meals five days out of the week at noontime. Because that's not what it's about. It's about socialization. It's about getting them to be active, stimulating their breaks, helping them not be lonely so they can prolong their lives to the best quality of life that they can ever have. And our seniors have contributed the most taxes to providing those services. So it almost -- it makes sense that we shouldn't be looking at them as the first people cut. And so I can go on and on, and so with that I want to offer a substitute motion that you know I put out myself, Councilmember Chu and Councilmember Kalra put out a substitute motion, and reject this report, arounds with all the elements that are written in this memo. And really, go back to you know, our answers are here. We just -- you know, and our departments are giving us that data so we can make the best decisions moving forward.

>> Mayor Reed: All right we have a substitute motion which as I understand it Councilmember Campos is the memorandum, the recommendations in the memorandum, okay that's the substitute motion. We will vote on that before we get further, too far down the road here. Councilmember Kalra.

>> Councilmember Kalra: Thank you, mayor and Councilmember Campos before you said the elements of the memorandum you said to reject the report.

>> Councilmember Campos: Yes.

>> Councilmember Kalra: That's what I want to make clear.

>> Mayor Reed: Let me clarify the motion.

>> Councilmember Kalra: Thank you.

>> Mayor Reed: I'm reading the language in the memo is to reject those elements of the IBM report that are particularly threatening to the safety and security of the people of San José.

>> Councilmember Campos: My motion is to -- then I will amend my own motion to reject the report including the elements written in the memo.

>> Mayor Reed: Okay. That's the substitute motion. Councilmember Kalra.

>> Councilmember Kalra: Thank you, I will support that.

>> Mayor Reed: Ash you had the second.

>> Councilmember Kalra: I think Kansen had.

>> Mayor Reed: Kansen had -- the amendment is agreed to by the seconder. Councilmember Kalra.

>> Councilmember Kalra: I will support the motion on the table and I have some questions I want to start with our police and fire chiefs, as mentioned by the public already, as well as the people up here, we we have great expertise in the department is the reason we hired these gentlemen after vetting, they have proven to us and to the community that they are worthy of the faith you put in them. And I know that chief Moore you indicated that hundreds of hours have been used in order to help IBM collect data for their analysis. Do you know exactly how much time was used or is there a rough estimate?

>> It's a little over, it's a rough estimate, about 150 hours that we put into it.

>> Councilmember Kalra: And chief McDonald do you have any sense at all?

>> I don't but we assigned a couple of staff members and we spent some part of two months working with them and going through data.

>> Councilmember Kalra: Thank you. And I want to start off with that because any notion that this was free, this was not a free report. Hundreds of hours, 150 from police department and couple of staff members from the fire department, we paid for that and that's been paid for as and that's gone and that's one concern right off the bat I have is putting any more resources into a report that almost everyone up here at least some form or another has agreed is flawed in a number of ways, that we are reporting more resources of staff time into analysis of a report from which the most important and most significant elements that we're pulling from it are elements we're already working on with our departments. What they need is more tools. This is not more tools, this is more work. This is not elements that are going to help our firefighters and our police officers do a better job in protecting us. And when you look at elements of the report there's so many that have already been mentioned. I mean even the terminology in terms of in regards to EMS for fire services, it says absent adequate compensation for providing EMS services the city should consider whether or not there is a compelling business case for exiting partially or entirely. And that's the problem with conclusions raised from the flawed data at least the kinds of data they thought was relevant is it's purely based on business cases. And when they are already using flawed data in terms of how they are measuring response times and the kinds of calls that are being responded to, and the suggestion we can reduce the number of crimes reported by police officer from 25 to 14.1, not only -- I guess increase it from 14.1 to 25, we have -- I don't know which crimes they want those officers, what kinds of crimes they want those officers to all of a sudden have on their plate and it totally devalues the value of community policing and the sense we have in this city of whether people feel safe. People generally, every neighborhood is different, people generally feel safe. That's not the case in other cities, that's why we have a solve rate for crimes because people call the police, when they're asked to be witnesses they come to court, they're willing to step

up. That doesn't happen in a lot of other cities where there's not the sense of safety and community that community support allows for that a healthy detective unit, engaged officers provide for when we get home tonight the suggestion that we have to do more dynamic policing and pull patrol officers or community policing officers more into hot spots you know there are beats that aren't going to be covered when you go home tonight in your own neighborhoods. That's how it is right now. And so any suggestion that a manipulation of data can allow for us to lose officers or get rid of officers and I understand everyone up here everyone said we're not suggesting this. But to rely on a report that does suggest that and then to think you can pull things out of that, the report loses all credibility in some of the very flawed suggestions it makes by people that clearly have no experience at all in emergency services. The fire chief said they couldn't provide one example, real life example of their representations being followed through on and yet we're going to rely on them to advise our professional staff who are our real experts? IBM is not an objective observer denomination to help us for free. They're selling a product. IBM started a new division which goes in and finds ways of cities to slash their workforce public safety certainly. About earlier today there was a report that IBM just laid off another 1100 U.S. employees. Around so that means in the last five years they've gone from 135,000 to 97,000 U.S. employees continuing to outsource. So they are using the model that they have in getting rid of their own employees and they're not having the success of keeping employees here but they're finding new areas to go into in the United States, where they can get some revenue. There was a quote in that article that's about IBM which states, morale pretty much rock bottom for a lot of people. I do agree that we do have to come out of this as a 21st century city, just not IBM's version of a 21st century city. And so I do also believe that we have to rely on outside sources and resources when they're available and they make sense but only if the conclusions and suggestions can be relied upon and these can just not be relied upon. And so it doesn't make sense to me that we are asking our establishment, whenever we do anything we do a workload assessment. To not even get a workload assessment before informing staff I feel would be a serious exception during these tough times. To rely on a report that we all admit has significant flaws that our fire chief and police chief suggests has flaws to suggest that senior nutrition and help for those that are seniors living at home that need assistance, that need assistants not part or should not be part of our duties, is ludicrous. And for them to suggest that indicates that they don't understand what it is that the city, what the mission of the city is around their data because they used that filter for their data, flawed filter that data is unreliable. And so I think it should be dismissed offhand, should be rejected the report altogether and continue to



work on things we've all identified, including the auditor, continue to have our police chief and fire chief work on those. If the police chief update his communication systems and computerize it. We know the fire department is doing that and so those are things that we should be focusing on and let them make the conclusions they have many times as to how to make our departments more efficient. And so I would urge our council to vote yes on the motion, on the table, reject this report outright and let's continue working with our police department and fire department to make sure that we have the most efficient and, yet, highest quality public safety in the nation.

>> Mayor Reed: Councilmember Oliverio.

>> Councilmember Oliverio: City Auditor.

>> Mayor Reed: Sharon Erickson is here she'll come down.

>> Councilmember Oliverio: Hi Sharon. As you know many of these issues that come before the council become political as an auditor it's not the first time you've taken up these topics. How is it that the daughter auditor's office can review things that are highly visible and highly objectionable and give objective analysis ? [ Laughter ]

>> Sharon Erickson: You know I'm not quite sure how to phrase that question. I think one advantage that me and my staff have, is that we live in this city. Not always literally. But we are staff members of this city. When we issue an audit report we're here the next day. We hear the fallout. We're working with the departments to implement recommendations. So some of the recommendations we've made are indeed similar to some of things that have come up in the course of this conversation. Some of those recommendations have been open for ten years but we continue to work with staff to get the resources they need in order to make the changes that we all need to benefit the residents here.

>> Councilmember Oliverio: And need an auditor be a content expert to be an auditor?

>> Sharon Erickson: No. We are process experts. So our job is to come in from the outside and bring us fresh perspective. So that's part of what we do. We do work very closely with departments, and it is considerable workload for departments when we go in to audit. Because we are asking them for their insights, all the way along.

>> Councilmember Oliverio: Well, I think it's clear from all the comments I've ever heard in public session from the council that you clearly believe in your leadership and your ability to provide objective analysis in looking at data and providing that analysis to the council, again and again on a variety of topics in every city budget. And I think you'll be -- your team will be more than able to view some of the issues that have been discussed today and look at the data. I'm intrigued, you know, the report mentioned some things like outsourcing park maintenance. I've been talking about that for years and we've been able to save money and that's more money I can give on a core service like police officer or code enforcement whatever it may be. We do know in the city that we have data that show some fire stations on average don't leave the station once a day so if I have those types of questions and as the speaker, time is lives and I have a way of managing my fire Center personnel with more two-person medical cars or squad cars, certainly we should look at that and we should look at the data that allows us to manage that. And as Mayor Reed said, if we can grow this city, eventually with we stabilize, and we grow it in the most intelligent way that the Chief of Police or the fire chief says is the right way or other department heads then that would seem to make sense because doing it the same way would not that make sense? We are not going to at least under my ability to vote we are not going to end source janitorial and spend millions of dollars too bring that back, before I hire a police officer or a planner. Those are core services of the city that we need to do. So I'm open to have someone as responsible and respected as our City Auditor to review this analysis any third party report from whatever the source is, we take that look and we look at it and we review it. It can be a good, it can be bad, indifferent but I think we don't know until we ask the questions. If we're afraid to have a simple dialogue on how is it that I best deploy the resources I have, I think we are doing ourselves a disservice. I think we can also do this discussion without threatening anyone's job that's here today, in public safety. We may not hire at the same percentage ratio as we did in the past of certain personnel over one department over the other. But it's not risking anyone that's here today. Because it's been said again and again by my colleagues, no one is looking here to take the representations of the report and downsize the department with

no -- with that in mind. So I'm supportive of the motion of our City Auditor and staff looking at this as they've done successfully on other items in this city, thank you.

>> Mayor Reed: Councilmember Rocha.

>> Councilmember Rocha: Thank you, mayor. Councilmember Kalra already raised a couple of issues that hi and my first one was the staff time that we spent on this in terms of the process that we have as a council and talking about the priority-setting which we're supposed to be going through today and how we can invest this much time and effort as a former councilmember, mayor, I'm sure you can understand your expectation is to be a part of the process. And it feels like the first opportunity that I've had to weigh in as an elected official here, is pretty late in the process in terms of staff work and staff time, and outcome. So outside of that, I'm -- concerned also a little interested in finding out how this was initiated. The direction I think at Rules initially was just to refer to staff to work on. I appreciate you changing direction on that and I think is a better outcome. May I ask the question, who initiated this work was it from us or did they approach us?

>> Mayor Reed: I initiated the request to IBM to come in and do an analysis based on their 100 comparative cities analysis that they'd done before as part of their smarter cities program, to help us try to improve services knowing that our budget was not good. And was likely to get worse. How could we use data analysis to improve services. IBM is one of the largest employers has been here longer than Silicon Valley has been here and they have the best data analysts in the world and run the largest consulting firm for data analytics, so I think they're quite capable of doing the data analysis. I initiated the request, told them we didn't have money to pay and they agreed to do it at no charge. As has been pointed out we obviously had some expenses along the way in the way of time and staff time improve our efficiency and look at alternative service delivery models so this is a process that we've been doing internally on a variety of things. And having IBM come in and do the big data analysis, looking at data that we had not been able to look at, I thought would be helpful at identifying opportunities to save money and improve services. So that's how it got started. Ordinarily when we'd have a report, probably this is more analogous to a grand jury report, it would come to the council with our staff's response and recommendations, in a way of a response, as our auditor reports tend to come to us. And I originally thought

that's how we would work through this, IBM does a report, staff does a response, it comes to the council, council makes the policy decisions. So we really have this in front of the council way ahead of our staff being able to put together their written responses. You've heard some pretty good responses today. So it's -- you know the process is not exactly analogous to what we've done in the past. People wanted to have this heard, there was a lot of interest on it so putting it on the council first was ultimately the introduction I brought to the Rules Committee.

>> Councilmember Rocha: Thank you for that, it's helpful for me to understand where you're coming from is where this was initiated. So I'm thinking of this hypothetical, in terms of partners and looking outside in the private sector for opportunities to reduce our cost and provide better services. And I'm very supportive of that, and I've been talking to staff as you know offline on some other issue I think would be a great thing. But I guess my concern is, if we're looking for the opportunity initially and that opportunity is we want to reduce our cost we want to reduce we want to reduce we want to reduce, the outcome is really going to be defined ahead of time. And if we look at other partners to talk about enhancing our services, I guess now is not the time to do that if peewee don't have the funding sources. For me it seems like the outcome was going to be similar to anything that would suggest we need to cut cut cut or reduce reduce reduce.

>> Mayor Reed: But we can enhance our services doing some of this data analysis. I mean that's kind of the point of what I'm trying to make. It's not about cutting our services, it's about enhancing our services with the resources we have and certainly there are other opportunities that we've seen that staff has gone through and done analysis of ways to lance our services, even at a lower cost so sometimes we can find those.

>> Councilmember Rocha: You're absolutely correct then I'm looking at the output of what's in front of us and I'm not seeing how you put it much better than was in the report. I'm not sure I'm seeing that kind of thoughtful approach, as we have all said again I'll go back to my point. I encourage us discussing with outside folks how we can do better here at the city. I do have a question for the City Manager, and reading through the -- your memo it talks a little bit about work that we're already doing on a number of niece items and the City Auditor also put out a memo speaking to some of those very issues. I guess my question is if we took no action today whether it's the substitute or the mayor's recommendation we'd still be doing this work. Dale.

>> City Manager Figone: Yes, we would, these are things currently underway and Ed can speak also here the work as indicated in the memo is really categorized into three areas, the lower hanging fruit, the priority work, some of the work the lower tier might take more time and resources but yes, sir, everything on the list here is envisioned. Ed.

>> Ed Shikada: Perhaps just to add to that councilmember, we had in our memo a couple of particular initiatives one of which has been referenced today, the fire department squad pilot program that is not initiated yet but certainly based upon the discussion, it's clearly something that both the administration is interested in and I think from the council comments we also continue to pursue. There is also a PRNS sponsorship program that will be coming back as further developments come forward. So we would like to continue that and again, depending on the council feedback, see that as another opportunity, that's not fully underway there's the planning effort that's underway and it would be implement is next step.

>> Councilmember Rocha: Those two items are page 5 to. 2.

>> Ed Shikada: Yes.

>> Councilmember Rocha: And the fire department, whose term is that, the fire department or our own?

>> Ed Shikada: That is the fire department,.

>> Mayor Reed: Was that fire squad or firing squad ?

>> Councilmember Rocha: I looked twice at that as well. As far as going forward as far as the administration is concerned, having our professional staff has been mentioned here a number of times involved at what level do you see that? Is the work initially going to be done by the City Manager's office, and then vetted out through them or is it going to be a joint effort? Just so I understand how you expect to do the work.

>> City Manager Figone: Our work is typically generated by the departments, under the guidance of a senior member of perhaps the manager's office, depending how cross -- departmental it is. But we really rely on the departments, the directors, the chiefs and they direct their staffs at the appropriate level for input and working issues depending on the nature of the issue. So that is the standard approach and that would certainly be the approach in niece projects.

>> Councilmember Rocha: Okay. I'm-d the mayor explained it a little bit better to me in terms of the process but I still am going to say I have concerns about the process. Because generally what we're looking at are some pretty significant policy outcomes not some small minor ones and I really feel I'd like to be a larger part of that discussion, that debate when we do enter into any kind of work with folks looking to enhance or reduce our services. Especially significant work that I heard from our staff that they spent on this. And I have heard time and time again about initiatives and we go through the priority-he setting process is a we can really control staff's time and we don't send them out on something that the council may not support. And we never had that discussion as a council and I recognize we cannot go to council every single item before we do work. I'm torn because I want us to look at enhancing our work and doing it better. I'm not comfortable regardless what you shared where me to help me understand it better I'm really struggling with this. It doesn't feel right to me in my gut to support this. I think I'd prefer going with a substitute motion. The problem with that for me is I don't know the outcome of that and the good work that is in this report, what happens to that? Is it just gone? And I don't really think it's a fair question to ask the City Manager. More sore so I think I should be asking the maker of the motion. Maybe the City Manager could weigh in first.

>> City Manager Figone: You know I don't know if I have anything to add in regards to that. I do have something to add, my staff have heard me say this as I reflected on the unfolding of the IBM work and you know regardless of how IBM got to the city they are doing benchmarking work. And they could have easily in my views have come to the at this time through a public records act request as we get every day. We spend hundreds of hours on public records act requests, turning information over to various interested parties for various reasons. So I think to the degree San José was maybe on IBM's list to begin with, I don't know that we were, it seemed kind of natural

that we might be eventually. Regardless of the number of hours that this ended up taking, I think in some ways it's better that we just don't turn data over then but we do spend a little bit of time, maybe more than a little bit in this case, explaining, trying to explain our data to them which the staff did do. So councilmember, I do put that in the realm of what IBM probably could have gotten from us any Howe with their own documents with the staff interpreting doing their best to interpret for them. Now granted they didn't really get it right in some cases and so if we do get this hand-off I think now the ball's in our court. Not necessarily to analyze IBM from the standpoint of what did you mean in Memphis versus San José but more to look at the windows or the opportunities that they've presented to us. But then look at them through you're own lens which is really what the chiefs are saying and what we are saying. That's my response to why so much time. I think IBM could have gotten hold of the information anyway without so much clarification. Ed do you want to clarify? .

>> Ed Shikada: Yes with the risk of opining useful about how we got are we are.and from the initial invitation from IBM to participate both in the benchmarking work as well as to have the no-charge assistance and the professional services that they bring. I think certainly speaking for myself, and on behalf of the staff that worked with IBM, it was really undertaken from the spirit and in the spirit of public-private partnership and one of some exploration, in really not knowing exactly where we were going to end up. And we do so you know obviously with a certain level of risk but also, with the understanding that it's only through that exploration and trying to identify where their expertise and our expertise can hopefully find a productive outcome from which we undertook this work. Initially, and really throughout, our expectation was that the departments were simply going to turn over information that was available. But I think as you see based upon the nature of the issues, that we have begun to deal with, that certainly from a professional standpoint it was important to provide accurate information, detailed information and really put the best foot forward and obviously that leads to putting more time into an effort than initially felt was going to be involved. So really from that perspective I think it's important to understand that it really wasn't with the expectation of what would be presented here. Quite frankly, we thought IBM would be bringing forward more information technology related recommendations, than we ultimately ended up with. With that said we are where we are. But I thought it would be important for the council to understand that really, both in terms of this particular involvement and interaction we've had with IBM and how it reflects on our future interaction

with companies that express through philanthropic also to reflect the appreciation of the engagement and the somewhat experimental involvement on both sides of the relationship.

>> Councilmember Rocha: And I don't know if the maker of the motion, Councilmember Campos you looked like you were going to say something.

>> Councilmember Campos: Yes, thank you. So what I'd like to ask the two chiefs who are here and I don't want to leave out PRNS, because this is the forgotten department of this debate. But so you've heard the dialogue that we've had here. I would find it hard to believe that you know, whichever -- well let's say the substitute motion is passed, that you're just going to, okay, well we're done with that and we're going to just disregard whatever -- whatever dialogue we had here or questions that were out there. What do you plan on doing from this session, it's fair to ask.

>> It's fair to ask and I appreciate the opportunity first of all to offer our feedback. It's been healthy for us to hear this discussion, it may have been a little more out of order that we would normally respond to. I have had some heartburn forward as we were anyway and we have had initiatives that we are engaged in and we think will help us move forward in that direction and we'll take those nuggets and I've used this term before nuggets from this report to help us move forward.

>> And likewise. I think that the difficult part for us is the data. And trying to obtain the data. But what I was hoping to express to you is that our folks have been providing us with lots of opportunities and lots of great options that we should consider because they're the folks doing the work. And so we have been finding improvements and opportunities within our department to improve and enhance the way we provide services. If we could get the data better, that would be great. So the short answer is we wouldn't stop trying to think of better ways to provide services.

>> Councilmember Campos: And if coy have PRNS. Julie. Thank you.



>> Mr. Mayor, councilmembers, Julie Edmonds Mares. I think there was value for findings in the report that we agreed with. And some nuggets that we'd like to explore further I think we specifically outlined those in the City Manager's report. And others I think there were areas where we have covered pretty well such as senior nutrition in the past. Like my colleagues we'd want to look further for those nuggets.

>> Councilmember Campos: Okay so I believe that the direction in my substitute motion, still gives you the latitude to do that and I would expect, as -- that we should not expect anything less I mean given professionalism that we have in our department. And so I look forward to you all being able to do that. Again, I -- and I keep pointing back to PD because you know, we can point back to last year. May. I think there were seven homicides in District 5. What did PD do? They didn't need an IBM report to say oh well maybe if you had deployed or looked at how you did things differently and respond to it and then we get a more positive outcome, you did that because this is your -- this is your craft. This is your profession. And we had almost an immediate impact. From that. And so I trust that you're going to take that information the information that we've discussed here, and continue to make the proper improvements in our department. So thank you.

>> Mayor Reed: Let me just comment often my original recommendation which was to accept the City Manager's report, that it may have gotten lost in that, that the City Manager is not recommending that we accept any of the recommendations from IBM. There is no recommendation to accept the IBM report. It's the underlying motion was to accept the City Manager's work plan in terms of how whatever comes out of this would get brought to us. So I'm not asking the council to accept the recommendations, there are many of the recommendations I don't agree with and today is not really the day to sort out which ones are good which ones are bad, that's not why it's here. I just think we woe look odd, in the least because of capitol Silicon Valley, to reject this report. The data is the data. What we do with it is up to us. To say we reject the report is an odd thing to do. But we should let the City Manager do what the City Manager is going to do. We're not accepting the recommendations, that's not what's in front of us. So I would urge my council colleagues to support the underlying motion and not the one that just says reject the report, whether or not you agree with the report we're not asking you to accept it. That's really not in front of us today. Councilmember Constant. I'm sorry, Councilmember Rocha.

>> Councilmember Rocha: I'm sorry, I wasn't done. I had just posed the question to my colleague.

>> Mayor Reed: I'm sorry, I got side-tracked there.

>> Councilmember Rocha: That's okay. Well, we can go on and on and on, and I'm still struggling with both motions in all honesty. I agree where what the mayor says in trolling rejecting this outright but I'm not sure there's a happy medium in terms of outcome. Let me pose a question to the City Manager then. In some cases we do audits and the mayor referenced some similarities to that. Oftentimes we have the department head or the City Manager write a response to that audit and in termination of adopting certain recommendations. For me I don't know why but a little more comfort level would be for staff to provide what components of this would they be interested in pursuing? But I'm not sure -- no, that's not actually the case. It says the City Manager, I don't see staff written in there. I'm sorry City Manager.

>> City Manager Figone: Well, actually, City Manager does speak for staff. So really -- you know, that's but they work for me. So that the issue here is that your direction to the manager is really the direction to the staff. And this has been formed with their input. So the work plan is not an adopt, as the mayor indicated adopting IBM's idea of a work plan. This is our recommendation to the council, perhaps in response to the IBM to a certain degree. But there are things on this work man and gentlemen correct me if I'm wrong that are not necessarily in the IBM report. So I think that that's the distinction in my mind. Councilmember Rocha. Is that this is my recommendation to you, based on our working with Ed working with the chiefs and Julie, and it's the approach that we would recommend. It's the things that we think are important to pursue.

>> Councilmember Rocha: Okay, my last point I guess I'll make is I'm go back to how I started this. I feel a vote supporting the recommendation that the mayor's presented really condones the process and the output and I know you spoke to that and clarified a little bit for me. But I hope you can appreciate as a former councilmember, anything like this I prefer to have some input earlier on than this. It's to me not a good outcome so I'll be supporting the substitute motion, thank you.

>> Mayor Reed: Councilmember Constant.

>> Councilmember Constant: Thanks. Do I have a problem with the substitute motion, when it just simply I do have a approximate with the substitute motion when it just rejects it we have our City Manager who has given us her professional opinion with input from her professional staff. And we're saying we're just going to reject that. Because we want to make it political and make this a statement about we don't like IBM. We've had our director of PRNS tell us that she sees some things of value in the report. We heard both of our chiefs say something to the effect that there are nuggets in the report that they'd like to take a deeper look at. And what I'm hearing in this motion is, tear up the report and stick your head in the sands and don't look at it. And we're not saying to accept it. In addition to that, we even have a supplemental from the City Auditor that basically says the same thing that we should keep this as guidelines as we go forward to take a look at and to see what we can use, so just to throw it out I think is -- I think it's wrong and I think we shirk our responsibilities as councilmembers by saying we're just not going to look at it because it's politically sensitive and we want to make a political statement. And you know there's no doubt that their analysis is strictly quantitative and there's not a lot of qualitative research into that. And we've heard from everybody here that it's the qualitative study that we really need to look at. And I think that's where our staff work, married up with some of this stuff, may provide to be beneficial. And we should do that. You know, slamming it because it uses words like business case, is improper because we did a business case study on many things in our city. Family camp was one recently we did a business case study on. We used that. It's a term that doesn't mean only in business, business practices, business cases, those are things that are common words that we use and we've used them here. So I just think that it's really important that we move forward, we have our City Manager, our City Attorney, our -- I mean our City Auditor, not the City Attorney, he hasn't weighed in and probably doesn't want to our police chief our fire chief our director of Parks, Recreation, and Neighborhood Services and our mayor who quite frankly has, not only the responsibility, to be the vision of the city but should be able to reach out and do things like this. That's what we look to the leader of our city to do, that's why we look another opportunities for giving input. I hope my colleagues will join me in not supporting the substitute motion and supporting our City Manager and our professional staff.

>> Mayor Reed: Councilmember Liccardo.

>> Councilmember Liccardo: Yes, I agree with Pete's point. I would like to see how we can move forward allow staff to take what's valuable in these reports and use them appropriately. Obviously we've got serious concerns all around about the anything in this report is anything that we're about to act on. You know, the memo suggests that somehow or another the memo is threatening to public safety. That might be true if in fact we were actually inclined to reduce our police force or fire force but we're not. You know what is threatening to public safety is if we don't at least take a serious look at serious analysis that's been applied from the outside. And if we don't have all the answers internally, we have great professional but we don't have all the answers. We routinely rely on outside experts for lots of information and there's no reason why we shouldn't at least consider that in this case.

>> Mayor Reed: Councilmember Kalra.

>> Councilmember Kalra: Thank you, mayor. You know, as the fire chief indicated a difficult part and I think the police chief would agree and we all would is just the data collection, make sure we have absolute or at least accurate data so we can act on that data. And if IBM was just relating data that would be one thing and then we can use that data you know and go forward. But they were basing conclusions on it and they were filtering data through what they thought was important to look at. And that's the problem. Is that's not reliable data. No one is saying we shouldn't talk about staffing, no one is saying we shouldn't get outside sources. If we want to get serious analysis applied from the outside let's do an RFP and there's plenty of companies here in the valley that do analysis, that do real data analysis that don't already in with a preassumed assumption. Ed said, Ed was saying we didn't know what the outcome was going to be. The problem was, IBM knew what the outcome was going to be. And the flaw and incomplete logical that's what get and therefore gets you to buy their software and buy into their analytics because it saves you all that money. We can say we're going to reject that part of it. But you can't reject that part of the it if that is a fundamental methodology at how they arrive at their exclusions. You can't really understand the business in which they're trying to go in. It's different than having an auditor, they can improve this, they can improve that, reduce costs here and there. But this is something totally than that and the motion on the table does not stop our department heads from doing what they're already doing and many of the suggestions the recommendations that even look like things that we could possibly do or already doing or already

agree with have already been recommendations for a number much years and so they're not adding anything. All that we're doing is we're giving validity to a report that does not deserve that validity or credibility. It doesn't stop us from asking the right questions, bringing the right sources that have put out an RFI or RFP for people that think they can come in or companies in the valley that can come in and give us good data analysis so the heads much our departments can make the conclusions on what we do next not so that IBM can tell us what to do with data in such an illogical manner. We need good accepting the motion on the table does not stop our professionals from continuing what they're doing from our City Manager to continue what she's doing an her staff to making sure I.T. you would have think that if bisexual was going and doing analysis but it wasn't about that. That's the problem. I would urge my council colleagues to accept the motion on the table and let's continue to work with our professional staff in making our departments more efficient and that's parks included of course, thank you.

>> Mayor Reed: Councilmember Herrera.

>> Councilmember Herrera: I think in some ways, this meeting's been about putting the cart before the horse. Because it seems like it would have been easier if we would have had the staff work done on this and then it came to us. I'm not quite sure how it came to us without that staff work. But I think that's what's missing so we're sort of trying to figure outs without that work all coming together. So I think you know, the choice of just rejecting the report, I don't think that's the right course of action. I mean I think that we do need to get that information, I think staff's already said that they can use something of the elements of this report, that it's useful, there's lots of things that the auditor as report has said that's very similar. The thing I'm kind of struck with is, when this engagement began, when this consulting engagement began at the very beginning, I wonder what kind of deliverables IBM was talking about being able to provide us and why, if we were expecting information technology how that didn't happen. I can see the frustration in both of you, that you were expecting -- you're looking to make the departments more efficient, and you were looking for technology solutions, that's what you were looking for. In part of this engagement, I've been a for a technology company, I just want to know what the agreements were at the beginning as to the methodology and very interested when this goes to staff to have that kind of feedback coming back from our staff too. So we can kind of look at what happened in this engagement what we got from them what solutions we have and how we can move forward, there's a lot of things I don't like about this report

and one of the things I like the least is the way we've received it up here with no input from the staff. I think that's made it a lot more difficult to handle. So I will be supporting the underlying motion because I think the City Manager has it right to send this information out to staff and it will be interesting to see what comes back from that.

>> Mayor Reed: I have a request to call the question. Well, I've got a call the question which means we've got to vote to cut off, that's a question to cut off debate, right, City Attorney so it requires a two-thirds vote to cut off debate but of course that would be debate on the motion in front of us not the debate on the underlying motion so we could come back to that. I think you could probably --

>> Call the question.

>> Mayor Reed: Call the question, so we don't debate the calling of the question it's whether or not there's two-thirds votes to cut off the debate open the substitute motion. So on that, on the calling of the question, all in favor of cease being the debate on the substitute motion -- ceasing the debate on the current motion, it does not get two-thirds. Councilmember Pyle.

>> Councilmember Pyle: I would like to know and I think it was germane to the entire subject, because IBM did a report whether we like it or not isn't there a certain amount of indulge of intellectual property that's involved in here, and isn't it behooves us in reference to our own performance? In other words if we just get out of the situation are we then not obligated or if we follow the City Manager's methodology would that, either way what would be the outcome?

>> Mayor Reed: We have no obligation to IBM. They have given us their report, They have done their analysis and they're done. We have no obligation to them.

>> City Attorney Doyle: That's correct. This is a public record, so it's out there in the public domain.

>> Councilmember Pyle: Thank you.

>> Mayor Reed: Councilmember Rocha.

>> Councilmember Rocha: Thank you, mayor. I'm going to play out a scenario here, the substitute motion fails, the original motion fails. I might suggest to give a little bit of foresight here, to outside of the memos from the councilmembers, if the preliminary issue is the one that's troubling folks, let the vote go play out but I might suggest that when after we vote.

>> I second.

>> Mayor Reed: Okay, I think we're done. The debate on the substitute motion, we have a substitute motion, all in favor of the substitute motion? I count one two three four five on the substitute motion in favor. That was Kalra, Campos, Chu, Pyle and Rocha. So the substitute motion fails on a 5-5 vote since Vice Mayor Nguyen is not here. Now we have the underlying motion made by Councilmember Constant.

>> Councilmember Constant: Yes mayor, I just amounted to if this makes it simpler because the mayor's motion only recommends approval of the City Manager's ask and answer and I'm sure they will because they respect the mayor, I'd just like to make the motion a little bit different that says to accept the City Manager's and the City Auditor's memoranda, the City Auditor's memorandum is just comments.

>> Mayor Reed: I think that was Councilmember Kalra, amendment to the motion, you are making an amendment to the motion to accept the report from the City Manager and memorandum from the City Auditor.

>> Councilmember Rocha: I'm not going to steal Councilmember Constant's thunder. I'm not going to accept that.

>> Councilmember Constant: Trying to be accommodating here. Let's just vote.

>> Mayor Reed: The motion in chief which is to accept the report from the Manager City Manager and the City Auditor without any editorial comments from the councilmembers or the mayor, just those two professional reports on that motion did you have anything further Councilmember Rocha? Okay on the motion, all in favor, I count one two three for five, Councilmember Pyle? Okay I count five in favor, five and five that motion fails. Councilmember Rocha would you like to stay a shot at it?

>> Councilmember Rocha: Yeah I'll make a motion to accept the City Manager's memo and if I could ask for one small modification and see if the City Manager is comfortable with that. As do you this report can you bring it to council for referral to committee before it goes to committee, is that something you can do?

>> City Manager Figone: If it's the council's pleasure.

>> Councilmember Rocha: All right I'll make that motion.

>> Mayor Reed: Councilmember Pyle you had the second, to accept the two reports and bring it to council before they are referred to committee. On that motion Councilmember Kalra.

>> Councilmember Kalra: Thank you. The biggest problem I have is just the validate within as well is that there's been a report here the staff report regarding the analysis and of course you've heard from some of our department heads about it but the concern I still have is that we're using the data or using the report from IBM as part of the -- as part of the process of putting together the work plan. I think that's kind of where I had the problem. If there's a different assumption then let me know but that's again the problem that I have with it and I don't want that to mean that I don't agree with other components of the work plan that I think that we've all heard, that I think for the most part we all agree upon a lot of the components of the general work plan.

>> Mayor Reed: Okay, on the motion, Councilmember Rocha's motion. On that motion, and Councilmember Pyle second, all right. All in favor? Opposed? I count one two three opposed, Kalra, Campos and Chu opposed so



that passes on a 7-3 vote with Vice Mayor absent. Thank you very much. That concludes our work on this. [applause] We still have more to do, though. And we have a seven o'clock meeting as well. But I think we'll make faster progress on the other items on the agenda, I certainly hope so. Our next item would be item 3.5 a discussion of the June-November 2012 tax measure general obligation bond measure alternate election dates. Councilmember Pyle has a motion to approve, based on a memorandum. Councilmember Pyle your memo which is a, Councilmember Pyle and I have a memo out so we'll have that motion on the floor. We'll take some public testimony. Pat Saucedo. Anybody who survived the previous agenda item who is still here, David Wall, Gary Smith, Johnny Camas, I see Johnny, I see David so come on down. Mr. Wall you've got the microphone first.

>> Thank you sir. Councilmember Pyle should be thanked for her efforts in this matter. Because the tax dollars, if passed, would come strictly to San José. The problem is, is that there should be restrictions placed on this money. Because there's no plan really to alter how you do business with taxpayers' money and therefore, you can't be trusted by raising taxation to just keep the status quo going. But if this tax were to be turned into a restricted use fund, to fund Police and Fire and what have you, as far as how the community would like to see this tax dedicated, without any skulduggery of interferences by law it could pass. What is also in this item is a bond obligation measure for streets, repair and rebuild of our streets. This goes to the issue of councils old and new, making incompetent decisions and not funding the required street repairs and deferring this maintenance until you now have a catastrophic problem on your hands. And to solve it, you have an ehe eby knee. Parcel articulation have to be re40ed because of these curse heed high densely living projects that have sprouted up and they don't pay their fair share of services. So this is a problem for to you sell it to the public. Restricted use funds, you might get away with it. As it stands today, it's going to fail.

>> Mayor Reed: Johnny camas and Gary Smith.

>> I want to thank the council for all the difficult decisions that you've been making all this time in the last couple of years dealing with our budget issues. I however think that before we start talking and putting taxes on the ballot, we need to make sure that our citizens feel comfortable that we have done our best to work on the reforms

that the mayor and some of you have already started. I think that we need to gain the confidence of the city and the citizens of the city. We go ahead and put these things on the ballot. And I think especially when it comes to taxes, of sales tax, I think sales taxes are regressive, it will hurt the poor more than it will hurt the wealthier, it will also make our surrounding cities so I'm very, very opposed to putting taxes on the ballot and again, I would urge you to look at the plans that you guys have in front of you and try to get those through. And I thank you all for all the hard work that you all do. Thanks.

>> Mayor Reed: Glare Gary Smith.

>> Mr. Mayor and honorable council I'm here to just briefly talk about the business license tax. It's sort of tangential to the basic topic. It came into the news on Sunday. I personally paid busy tax in San José for several years also in Saratoga, I want to compare because I have the accounting for both. Saratoga is a business license fee for a sole proprietor like myself, self employed 1 to 5 people is \$115 a year. San José's is \$150. Over the last seven years, from 2005 to 2011, the total sole proprietor business license fee for was 1050 when paid on time, vis-a-vis 850 in Saratoga. That gives you a comparison to another city. Please have other considerations before you jump to double the business license fee. Look at the -- what comparison of the sign permit, I believe San José sign permit fee is less than Saratoga by about a third. You might consider that, budget consideration of each item. Also, word that's going out to the public and newspaper and radio ads, such as San José's lowering taxes, lowering fees and repairing more staffer to improve the permitting process. It's okay to say that but it's got to be sincere and if it's not happening then please reword that. In all due respect, thank you.

>> Mayor Reed: That concludes the public testimony. We have a motion on the floor, Councilmember Pyle's memorandum, is the basis of the motion, Councilmember Constant.

>> Councilmember Constant: Well, we just spent a lot of time talking about data. But as we are talking about potentially raising taxes, I thought it would be important to just take a look at kind of a snapshot, no real -- no funny filtering done on the data. So just to let you know where we are, in the last ten years, our area has had a YPI inflation of about 24%. -- CPI inflation of about 24%. During that same time our revenues if you look at the

different taxes it is some interesting information. Our property taxes that we've received have actually increased significantly. 128% in the last ten years. Our business license, we've heard a lot about house we need to revamp our business license tax to take advantage of changes in the economy and things like that. In the last ten years our business license tax revenue has increased 23.8% almost exactly with the CPI inflation. And I think we really need to look at that. Because overall our city revenues over the last ten years, revenues coming in just in property tax, sales tax and business tax, the tax portions, has gone up 45.6% in ten years. We don't have a revenue problem particularly where it comes from taxes. Our modification growth has only been 5.4% so if you take our population growth and the CPI growth and combine them you still see that we have revenue growth in our three main tax areas that have significantly outpaced inflation. If you compare our expenditures from our General Fund compared to what they would be, had they only grocerly at CPI we'd have an extra \$101 million that we would have available for us to spend. So I just think it's important for us to really look at the long term, like a ten-year period like this to see what has really happened with our revenues. To claim that we're short on revenues because we're not getting enough taxes I think is pretty disingenuous when you look at the numbers straight out of our budget, adopted budget out of the last ten years so I think it's important that we look at that.

>> Mayor Reed: Councilmember Rocha. I'm sorry, Rocha, yes.

>> Councilmember Rocha: Thank you, I'm looking at the memo from the mayor and Councilmember Pyle. I'm curious if you can include maybe the off-cycle election as opposed to it being specific about the November election.

>> Mayor Reed: Well, the memorandum is setting it up so that in June, we would decide what to do so that if we can bring it to the council in final form in August, so that would be for the November election. That would really be the earliest possible date for an election. So I think in June and in July or August when we look at that then we would also talk about well if we don't go in November could we possibly go in an off-cycle. I think that's contemplated in here that some of those things like the bond measure, the general obligation bond would be a special tax and could go in a special election. At a time when a general tax couldn't go. So we certainly can talk

about that in June and August. I think it is sort of a continuing topic about how do you manage all of this stuff. So Councilmember Pyle can speak to her motion but --

>> Councilmember Rocha: Fair enough that's fine. Fair enough.

>> Councilmember Pyle: I just wanted to add to that the fact that the state is coming out with a half cent sales tax in November which would bring a zero revenue to the City of San José. We wouldn't want the people to vote on that and then later on not vote on ours. The educational component is if you vote on a half cent or quarter cent what are we wind up with for our city all of those proceeds come to San José. We can have control over the moneys that come into our coffers. However we have to raise money, we have to raise awareness and we have to raise education before we can even think that we're going to do anything that's successful. And to what you said earlier Councilmember Constant, in reference to taxes going up 45%, I'd like to see how that's broken down. But I will tell you that our responsibility in reference to the growing population that we've had, has taken place, we are supporting the equivalent of the city of Gilroy right now. Maybe taxes have increased but so has population. So have our responsibilities. And so last basically the cost of living here. So thank you for that.

>> Mayor Reed: Councilmember Kalra.

>> Councilmember Kalra: Thank you. In regards to the conducting of additional polling, I know we just had an extensive polling done. And John if it's necessary to do more polling or maybe it can be couched in such a manner to conduct additional polling if necessary. Maybe the consultant based upon the data we already have from the polling, I think the general differences in November and June ballot, our consultant that come talked to us about it, the consultant seems to know and there may be unique characteristics, but I'm not sure, I mean the information that we've gotten shows that people are much more favorable to tax now than they somewhere been certainly in the past two or three years. The neighborhoods and youth commission, first time ever definitely not a taxing group, but I think they've heard how much we've cut back, they've heard how much our employees have given and so they are at that place. Now a concern for November, well June and November I think could both be favorable. I think if the Republican primary continues to go the way it's going and California is in play and you

have more June more so than we expect when the polling was done in January or in February. But the issue with November is competing tax measures as well as dozens and dozens of propositions which kind of cloud what we're going to have on the ballot. And that's why I want June at least vetted. It's probably good at this point given the time that it's probably for us to really evaluate and follow a game plan for November. Because even if there were three statewide tax measures it doesn't doom them, in fact, the polling showed that two would likely pass. Even when you have three statewide competing. So even if there are statewide it does not doom a local tax. In fact if you market it well and make sure the people know as Councilmember Pyle has said so often it's going to come back to us here in San José, we shouldn't be afraid the fact that there are either tax measures statewide. Let them worry about that, let the governor figure out how to sell those. We have our measure and I think that it's not that anyone wants to tax anybody. Any more than they already are. It's just that we don't have that many options left and we're still looking at all the options we have in terms of cutting back on services, and certainly with the employees and so on. So hopefully, if there is -- if there does -- if staff deems that there is a need for further data, I think that there should certainly be taken into account the fact that there are going to be other tax measures in November and how that plays a role in the outcome of the questioning as well as the fact that there are going to be so many items that will be bogging down the ballot.

>> Mayor Reed: Councilmember Liccardo.

>> Councilmember Liccardo: I just wanted to weigh in about how we work on shaping the size of whatever bond measure we might contemplate. And I just had two suggestions as we try to right-size that bond proposal. One is that I think we ought to include whatever future obligations we expect we're going to have for getting ADA compliance on curb ramps. I we have a court order out there or a settlement if I'm not mistaken.

>> City Attorney Doyle: It's a settlement yeah.

>> Councilmember Liccardo: It's a settlement so we're under clear obligation to clear those and use that CDBG monies for more flexible uses and get the bond and the other thing is tightening the belt, I'm sure people are already thinking this way as we think of cost savings that we can incorporate through capital improvements,

convert all to LED just to throw out an on one, to certainly argue we're reducing the overall General Fund obligation. So I think we ought to think more broadly than simply paving. I'm sure Hans is already thinking more broadly than that but I'm hoping we will incorporate several kinds of measures that can reduce the overall burdens much all of those.

>> Mayor Reed: Councilmember Herrera.

>> Councilmember Herrera: I support this discussion. Today is not the day to decide whether we're going to do this or not. We have talked about this in the past and the City Manager's fiscal reform plan contemplates savings which we have been working towards and revenue. Can you speak to that a little bit City Manager?

>> City Manager Figone: Absolutely, revenue is definitely a part of the fiscal reform plan that council adopted. You know it's your, the council's policy call when you go and for what measures. But I believe that you're going to need the time to do the additional polling and vetting in order to determine what you do bring forward. And our experience in the past has been that the polling really helps to inform how what might ultimately get put on the ballot is fashioned. So I think if council is serious about a revenue measure then taking the time, but having that sense of utters that the fiscal reform plan calls for is important.

>> Councilmember Herrera: So if we're serious about really restoring services getting the city on track, getting our unfunded infrastructure done and I know that Councilmember Constant has talk about that a lot, and I've taken that to heart, we have to have some ways to paying for it. And it's not going to be with the reform and the cost cutting measures we are doing now. But I believe the citizens will be much more supportive of this once we get pension reforms in place and the other cost cutting things that we're trying to do.

>> Mayor Reed: All right, we have a motion in front of us based on Councilmember Pyle and my memo of February 24th which is to defer this to a meeting in June, to get more specific, and going to assume Councilmember Pyle is including in that the idea of it's not just about November, it could be another date that we

look at as part of those discussions. Is a so that is the motion in front of us. on that motion all in favor, opposed, one opposed. Councilmember Constant, did you -- are you registering a vote on this?

>> Councilmember Constant: Yes.

>> Mayor Reed: Okay, Oliverio and constant opposed. Okay, that passes on an 8-2 vote. I'll see you in June on this topic. We'll move on to -- I want to with the indulgence of the council I'm going to reorder in a little bit. Chief Goede has got a commitment so we're going to take the item 5.1 next that's the antigraffiti and litter program semi annual report.

>> City Manager Figone: Thank you, mayor. Chief Goede needs to be at a community meeting by 6:00 and I think it's important that the PD perspective be part of this report so Julie Edmonds Mares will get us started.

>> I'm joined by chief Goede and Mike will the parks manager. The antilitter antigraffiti semi annual trends and actions taken by the City of San José to ensure a safe and clean city particularly in regard to graffiti. As we're all aware graffiti -- sorry technology issue here. Thank you. Last year in the budgets cycle, the Parks, Recreation, and Neighborhood Services department transformed our eradication model to be more of a restorative model. With that change which was taken on in part to save funds for the city \$600,000 and in part to continue to ensure services were provided to citizens of San José. We started changing our service delivery to be more restorative then we ensured that there would be a baseline service delivery equal to the prior year performance measures and that is ensuring that all graffiti that is reported is abated within 48 hours and 24 hours if it were a gang related graffiti. And that is still happening. And then we're systematically utilizing this restoration model wherein we paint-match and avoid that secondary graffiti that's avoided when we put a second color on the wall. The units graffiti protective coating is orepearch, GPC, they are assigned to hot spot expanding that out throughout the entire city but will be done over time. Meanwhile still abating all graffiti that's reported within that 48-hour time frame. One of the thins that GPC the San José clean app wherein notebooks can download on their smart phones a reporting tool identified just to point and click to report graffiti. If they want to hear back about whether that was abated in a certain amount of time they can do so, so if they can go out, point and click. We

actually had a lady in January who had a really great experience. She was out taking a walk in her neighborhood. She utilized the application, reported it to us and while she was out for her walk on the way back the graffiti abatement service was already there and she was just you shocked. She got to talk to the abatement cleaners and find out how it works. Not everyone is going to get this level of service but it demonstrates the dynamic so we can use the application you can call the 1-800-number which is live and available 24 hours a day and can you continue to use the e-mail system as well. In terms of the graffiti program itself and comparisons year over year, we're pretty similar as you can see on a month by month basis, July through December for the first six months of the year. So it's about a total of 1.1 million square feet year-over-year with 2010 being slightly under that figure and 2011 being slightly over. Calls for service and so that's where we do our performance measures for the 24 and 48 hours. We had 7177 calls for service in the first month. 99% of those were abated within 48 hour window and all 258 gang related were abated within 48 -- excuse me 24 hours we're happy to report. City staff and GPC staff have been trained by PRNS gang prevention unit to identify the 89 -- excuse me the 98 known gang monikers and therefore they utilize that system to tag a particular -- to flag a tag to say that it's graffiti in nature. Sorry. Another tool in our tool kit is this annual survey. This is really just a snapshot in time, so it's not the comprehensive data, it's a look over a period of a couple weeks where we go out and observe in each and every council district. So our program is based on reporting but we want to take just one time where we look very carefully. And we're happy to report that year over year, citywide that the graffiti reports are down 7% although they are up in certain districts and down in just a few. But you can see how the few is really effective. We've targeted council district 5 which as you can see from a volume standpoint was the council district that had the largest problem with graffiti. And utilizing the restoration model there and can you see a 50% return or improvement year over year. And because that was the council district with the largest problem it gave us the greatest return on investment. Now we'll continue to expand that restoration model, focusing on CD 3 right now and then we'll continue on a hot spot basis to reduce the graffiti section by section until we're at this restoration citywide. When we do this restoration we find that it doesn't get retagged. It's really a great experience. So I'll turn it over to Chief Goede that will talk a little bit about crime suppression.

>> Thank you Julie. Assistant chief Ricki Goede. police department and PRNS and also CalTrans and VTA. On behalf of the police department I really ask Julie GM device it's going to help us in some of our suppression



efforts. But what you see is as a result of overtime cards we use. One of our sergeants came to me back when I was a southern division captain and basically had gotten some information from informants and other people in the city regarding a tag being crew that was really responsible for -- tagging crew that was responsible for a lot of damage. They had been organizing one die week for five hours. And they have been very successful in what they've gotten. And this was one group called high sue which basically means have you seen us, that is the name of their tag crew. As of yesterday I talked to sergeant Davis who runs this and those numbers have now been updated, there are seven members that have been arrested. We have arrested 25 more and the property damage has been a total of 175,000. So they've taken some very prolific taggers off of the streets and again this is a very collaborative effort between Julie's shop as well as the police department. I'll turn it back over to Julie.

>> And just a final note on the antilitter efforts. If I can get this up. We're of course going to have our next great American litter pickup on March 19th. Been planning with many of your offices to get folks up and picking up litter. In addition we have a volunteer recognition event planned for September. So with that we're available for questions. I did want to mention that staff is also available for questions on item 5.2, the graffiti enforcement abatement and restitution item. And that's for council to adopt a resolution that would substantial a restitution rate and forward that on to the court system. .

>> Mayor Reed: Anonymous that you mention it we should consider testimony on both 5.1 and 5.2 here while we have both departments represented. Councilmember Oliverio.

>> Councilmember Oliverio: Thank you, mayor Reed. I want to read briefly an e-mail in a resident and this is quoting the resident I've been so amazed at iPhone app that I just walked arounds to confirm that the ones I turned in today were really handled within a couple of hours. Sure enough they were. Other neighbors have remarked about how much less graffiti we have in the neighborhood. Thank you very much for your part in this, and this is to staff and this is a district 6 neighborhoods that borders district 3 and so the service has been night and day for them from our current service model. So I just want to say I'm very happy with that. I don't want to put any extraneous work on you, it seems to be working from feedback from residents. I want to compliment Tina Morrill who is putting art on utility boxes so they're less likely to be tagged. Thank you.

>> Mayor Reed: Councilmember Liccardo.

>> Councilmember Liccardo: That's a timely shout-out by Councilmember Oliverio. I wanted to talk about the numbers, thank you for all this analysis and all the effort to try and ensure we have a viable graffiti cleaning and antigraffiti program. I'm looking at the bottom of page 5 where it talks about the total of compensation. In the next sense it talks about how GPC invoices the city at that rate. Is that compensation number a cap or the exact check that we cut? I'm trying to.

>> We pay 40 cents a square foot whenever they abate. The trend in graffiti is tracking a little higher than we anticipated. The contract was bid out based on '09-10 data and we actually had a peak in 10-11 at the end of the year so we're tracking a little high. We have spent the contract a little over 60% year-to-date but we're kissing managing that and we're continuing -- actively managing that and back down on the restoration we'll do so. We're also bringing out more sentencing alternative program participants as well. And so we're trying to mitigate the cost expenditure as we go managing to that number.

>> Councilmember Liccardo: I appreciate your creativity Julie. My question is probably a bit more simple which is the \$633,000 number is that fixed?

>> No, it is not fixed. It is compensated on 40 cents a square foot, usage per service.

>> Councilmember Liccardo: Got it.

>> We have to manage that number within the budget we're allocated. As graffiti goes up, we become more and more challenged. I can tell you we're challenged. We're tracking a little higher than our budget would allow but we're continuing to mitigate that to the best of our ability.

>> Councilmember Liccardo: I appreciate that and I realize that my district is creating quite a lot of business for you and for GPC. I want to see at the definition of the next hot spot because it was a little unclear on the bottom of page 4 described as the area bordered by 101, Alameda, 87 and Tully, which is an area that probably encompasses I don't know, three or four different council districts. Is it 101 in the north also? Is that the area you were identifying? Sounds like it's all downtown all the way down through district 7 and Tully? Is that right?

>> Mike Will parks manager Parks, Recreation, and Neighborhood Services. Yes 101 to the north.

>> Councilmember Liccardo: Okay, then you've got the Alameda and 87 and okay. I'll leave it at that. Sounds "like" it's a pretty big good sized chunk of the city. Well we appreciate your attention.

>> Mayor Reed: Councilmember Campos.

>> Councilmember Campos: Thank you, mayor. So couple of -- couple of questions. Let's see, where do I go? So just so that I'm trying to understanding, it seems like because this is a five-year contract, the total amount of the contract is \$3.3 million. I'm doing simple math so I'm dividing that by five and then each year give or take we've got about \$633,000 to budget for graffiti graffiti abatement, right?

>> That is correct.

>> Councilmember Campos: So based on where we're at today or at the end of this mid year report, we've abated 1.12 million square feet, and that's at the six-month period.

>> That's correct.

>> Councilmember Campos: So if we continue with that trend, then, you know, we're going to well exceed the amount of square footage of graffiti that we've abated, from the previous year. Which means, we're going to bill more than what we should have budgeted for this year, is that a fair --

>> Well, it is fair to say that year over year the graffiti trend is pretty -- pretty-d it's pretty similar. We're tracking around a 2.5 million volume. And we did base the contract on a prior-year service which was a lower volume. And so if we just spent every -- if we just continued to abate every one at 40 cents a square foot we would overexpend -- we would continue -- we would spend approximately \$900,000. But it is not our intention to do that. It is our intention to manage. We use the sentencing alternative program we use a very, very -- very large volunteer group to help us abate as well, as well as some other tools in our tool kit. And so we'll continue to manage that to stay within budget. And if we do -- are going to exceed budget telephone then we would definitely come back through the budget process and let the mayor and council be advised of that.

>> Councilmember Campos: And the reason I'm bringing this up is because what the staff report is telling me is that we're halfway to the square footage that we thought we were going to cover. And what this is telling me is that if we're going to stay within budget that we're going to pick and choose what we take down. And one of the concerns is that, one, I've seen, in the staff report, that there's a 50% decrease in graffiti in district 5. But I live there. Ah Alofa lives there. That's not what we're seeing on the financiallies and on the walls. And so owners fences and on the walls. What method are you using to come to this conclusion? Is it solely call-in and okay, well we got to call in and we're abating that or is it you know like what we used to do with our own city staff, they all had a route to go on and every time they took graffiti down they marked it down and that was an incident. And so you know we had you know maybe that was a more accurate report on how many tags are up. So is that how we're keeping track, is just by call-ins?

>> In terms of mechanism we are responsive. We do respond to all call-ins. In addition to that we are also proactive. GPC is proactive, city staff is proactive. In addition to the call-ins that we receive, very similar to when we had city staff, they go out to those places that get tagged on a frequent basis and they double-check. If they don't have a call they proactively look for additional graffiti. We do focus on the public right-of-ways as you're well aware not in the neighborhoods but in the public right-of-ways is their area of emphasis.

>> And that's that route white road, Tully King Road and Alum Rock?

>> Those are some of the key corridors in your council district, yes.

>> Councilmember Campos: It is my council district, Councilmember Herrera's district as well and parts of Vice Mayor Nguyen's district. Is that the route because when I went on a tour that was the route I was told this is the route we are focusing on. And if I could remember before you know we had staff that didn't just go on that route but they had their own routes in different parts of the city. I guess where I'm getting at, and I'm not talking about okay, well let's give it back to staff. That would be great. But it's contracted-out, so now that we're stuck with the contractor, I want to make sure that the contractor is giving us the best bang for our buck. And what I've seen right anonymous, and all I have to do is go by my district, we're not getting the best bang for our buck because stuff is staying up. Hot spots along that corridor, maybe they're getting taken down but other places, for example, the Lower Silver Creek Doburn bridge, you know, it took a community association meeting just getting you know hot and heavy with one of the staff, poor staff people that came to talk to them about what about the bridge? You know and finally the bridge gets taken care of. But before, those are part of the natural okay we're going to go here because we know it gets tagged and it's not happening. So that's my concern. I was pleased to hear that in our dialogue, last year, you know, I think the council was pretty conscious about well you know what if these guys aren't doing it then let's find someone that can do it. So all I'm concerned about is when our community says, there's graffiti up and it's unacceptable that we're responding to that. And when I see a report that says district 5 has a 50% decrease that's not accurate. And I know we said well you know, the argument is well that's anecdotal. But you know what, there is something to be said about living in your neighborhood and when you can see graffiti and it's not coming down then that's real, that's a reality.

>> Yes, Councilmember Campos we focus citywide. If you call in council district 1 or 10 we will react and we will ensure that that graffiti is abated in less than 48 hours which we achieving 99% of the time. restoration model, as we mentioned it takes a little longer to abate in those areas and we are concentrating in those areas but we still service the entire city in the same manner. But if you have specific areas and you feel like something is not coming down please let me know and I'll have staff follow up on those specific issues.

>> Councilmember Campos: Okay, with that I do want to move that we accept the staff report. But I would like to include some of the elements of my memo that I put out and I lost my memo on my desk. Is it right here? Where is it? There it is, thank you. Some elements of my memo that you know, accept staff report on the antigraffiti and litter program and semi annual report request report to antigraffiti and litter program report. A through D including C that if -- actually, 3, and I think did you say that if there was going to be an increase, that would you come back to the council and inform us and we deliberate on that.

>> Mayor Reed: Is there a second? There's a second, okay. We have a motion on the floor. Councilmember Kalra.

>> Councilmember Kalra: Thank you. And you know, I share some of the concerns much Councilmember Campos, I've heard mixed review on the antigraffiti. I think the app is a great thing and just more in general, it's traditional have the 15 number, most people don't even have the number. So certainly, continue to encourage to download the app it's a convenient way of reporting the graffiti. So when the GPC, they came down you know I've seen them cover some areas, they cover some of Monterey and it looks good. Some of the concerns I have are also with people that I know that have been working with our city staff for a very long time and expressed some of this to you that I've heard from some of the neighborhood groups, some of the people that literally spend tens if not hundreds of hours a year of their own time collectively certainly collectively on antigraffiti work. They don't feel they are getting as much responsiveness as it was when it was totally city staff, as quickly or it makes it harder for them to recruit more volunteers because you know the volunteers come out when they feel that there's a -- it's kinds of a team effort in dealing with the graffiti. And so I -- you know when you look at the data, glad to see that the numbers and I know there's different methodologies, I assume the same methodology we used before in identifying how many tags we had, we used a couple of years ago I guess.

>> Correct, the only difference is square footage. Staff used to estimate square footage based on the number of gallons of paint they used and with GPC actually measures and it's more accurate. Gillespie got it down to their own kind of science but the reality is over the last couple of years we have had more graffiti than we've had in more than a decade. So it's a challenge in all of the districts. I'm glad to see there was some -- that we're doing

some of this hot spot maintenance. But other two districts besides the hot spot district where it went down have the lowest number of tags to begin with. I'm definitely interested in the memo, the motion on the table in reference to that we continue to monitor the data in terms of cost recovery, we want to make sure we have a quality product and that we're saving money and ultimately that Councilmember Campos indicatorred the quality of life in the neighborhood is maintained. When do you -- if we're at this current pace when do you anticipate we'll hit the cap for GPC in terms of the money allotted for this year?

>> If we stayed on a certain pace we would hit the cap in just a few months but we'll be actively managing that so we don't exceed too early in the year. As I mentioned we'll return to mayor and council if we anticipate that to be true --

>> Councilmember Kalra: What does actively manage?

>> In terms of calls we get 62% are currently dispatched to our vendor. We have a sentence alternative program that is very effective and they assist us in abating graffiti. We've requested additional staff from those programs, and in doing so are able to achieve more graffiti abatement with those members. And that's no cost to the city. Other than oversight.

>> Councilmember Kalra: Those are things that could and should have been done even if we maintained our other model of full city staff. I think it's important for us to understand that when we supplement the contractor and some of the city staff that we do have for the antigraffiti program with the sentencing alternative program that we know how much more we're supplementing with because then we actually accurate. If we also include the sentencing alternative program because we could have just as easily used them when we had a full city staff model as well. And so if it's a matter of if we're doing all this in order to keep our numbers down then it's defeating the purpose of outsourcing to save money particularly if we're not getting the same customer service. On customer Service one other questions, one of my staff members called in graffiti in the district, where are those calls going to do you know?

>> Graffiti protective coating has a centralized call focus in I believe it's in Arizona.

>> It's in Nevada.

>> In Nevada. Around they do this as a way to be efficient on their end. This gets a live person to annals the phone where in the past with us if you got a recording machine we're able to gather more information and data from the caller taking information from the individual. But then they do that to support all of their operations throughout the United States.

>> Councilmember Kalra: Yeah, I mean clearly it's cost-saving on their part and I don't know if it gives the same customer service because when my staff member called they had no idea, it took a very long time to get to them, the details of where the graffiti was, they didn't know anything about the neighborhood, they didn't know who Councilmember Kalra is which is okay, my ego is a little bruised but I can deal with that. But ultimately they took all this information down and we had to have a city staff member call back to find out exactly what the group tag was, because the message wasn't taken very well. As owned to previously we had an automated method that was responded to in a very efficient manner. As opposed to if they are not able to address the issue when the personal calls, that is an issue as well. That's something we neat to monitor in terms of quality control and making sure we get information on tags called in to the right people. When my staff asked how long it would take for this tag to be painted over, the person says they don't know, will it going to be the next 48 hours, they said I don't know, it is going to be raining so we're not sure. That is not the response that people should get calling in. That should be standard protocol in the response. That this gets taken care of in the next 48 hours and it should be taken care of in the next 48 hours. I'm sure that call center handles a lot of different locations around the country. That needs to be -- maybe can you talk to the GPC talk to their staff about-d talk to their management about how that can be worked out as well.

>> Absolutely great feedback, councilmember. If you let me know about those individuals incidents then --

>> Councilmember Kalra: That just happened today, that's why I didn't have --



>> We'll follow up.

>> We very a motion for 5.1, we'll come back on 5 much 2, receiptsity tuition. We'll take testimony on both 5.1 and 5.2. Alofa Talivaa, Tina Morrill and then David Wall.

>> Good evening, mayor and councilmembers. First of all, am I getting one or two minutes, mayor?

>> Mayor Reed: Two minutes.

>> Thank you. Good evening. My name is Alofa Talivaa, I'm over here representing Sierra neighborhood association community leader and activist. And you know, we are here because we're seeing what's going on in the neighborhood. And I'm kind of, you know, for the report that I heard from the PRNS, is kind of not accurate. Because over here in the district 5 there's a lot of graffiti. And where I'm at you know, I keep constantly calling it in. Sometimes, if I call for one thing and when they come, and it's just right there next to that graffiti, they're not GP going to clean it up. I'm speaking in experiences. I have to keep calling and calling. Types it really upsets me because when I call them up they say it's not us. It's CalTrans. It's the county. Well, excuse me! You are right there in front of the phone. And the computer, why don't you make the call, you know, to the right people, you know to come and clean it up? I mean us, as a community, we are trying our best to call the phone number that was given to us. So when it gets to you, so you know which department that you need to call or contact, I did with the CalTrans, you know what? The lady answered the phone, oh yeah, we know, it's all over the place. That was the answer. I said well thanks a lot. You know, instead of saying okay, we're kind of short of staff and somebody's going to be there in 24 hours, that was not the case. You know, and about two weeks ago, even though I was ill, I have to get up and one of my neighbor an elderly neighbor down the street I said come on we got to go and clean up the graffiti in our neighborhood. So we went around and paint the sound wall and lots of those utility boxes.

>> Mayor Reed: Your two minutes is up sorry.

>> So please let the utility people come and clean up their boxes, thank you.

>> Mayor Reed: Tina Morrill is our next speaker followed by David Wall and Aurelia Sanchez.

>> Hi, good afternoon my name is Tina Morrill and I'm the project manager for art box project SJ which is a complement to the hard work of the antigraffiti team. It gets mentioned but I want to give you some images. It's a very simple program got three goals. We want to involve the community in reducing the tagging and the graffiti. We want beauty in our neighborhoods in the form of art, yea art! And also put a lot of money into the local economy by hiring local artists. What's been really cool about this project is, our collaborative partners. So a huge thank you, to our artist coordinator. We've got champions, Sam's stepped up and said this is a great idea. Pierluigi stepped up and said yes let's do seven, ten novels our district. There are seven champions. I got to talk to Kansen Chu, Rose Herrera, other councilmembers, I'm going to be knocking on your door. We've got great be collaborate before and afters. We take the utility boxes and we just make them beautiful. So here are a couple of examples. And then here are three of our latest boxes. Since September, well, since we started I've had two taggings, two. That's it. So it's working. It's bringing art into the neighborhoods. It's employing local artists and it's great collaboration so thank you all very much and thank you to the antigraffiti team. We really appreciate your collaboration as well, thanks.

>> Mayor Reed: David Wall.

>> What is obvious today is that legislators have not created the level of deterrents to deter graffiti. And municipal governments, state governments, are making just utter mockery out of trying to appease people by not creating the methodologies to crush this vermin from our society. How are you going to \$2.5 million to keep painting over criminal contact, that's putting a Band-Aid on a cancer. And woo have data analysis enough to choke a horse and that bureaucracy command staff that's incompetence. You need to also look at whether or not illegal aliens that are involved in graffiti purposes are held for deportation. It would be really interesting if you pick up one of these gang bangers that are an illegal alien and trace them back to their entire family. Deport the entire family, they're

illegal. Now that would put an onus of the community of illegals to keep this problem down. In a way that's a variation of community policing. But you have no types of solutions for this. What you have is play cases, you should be doing figure out a way to increase deterrents and punishment, but you're not. Thank you.

>> Mayor Reed: That includes the public testimony on item 5.1 and 5.2, we have a motion on the floor for up 5.1. Councilmember Herrera.

>> Councilmember Herrera: I just wanted to commend Julie and the team in terms of the graffiti program and the things that you're doing out there. The application that's used by the vendor, people downloaded that at the meeting. I was wondering how effective is that, are you able to monitor that at all in terms of how effective it is and how people are using it and et cetera?

>> Councilmember Herrera it's just been up for a couple of months so we have limited experience thus far but so far it's a really great tool. And it's so important because it loads right into the work order database and goes right into the smart phone of the individual who's doing the abatement so it increases our response time tremendously. We expect to see more usage over time.

>> Councilmember Herrera: So what's the difference in the response time using the phone, as opposed to calling on the phone, do we know?

>> We don't have the data that responds to that but we can look into the data over time.

>> Councilmember Herrera: I don't know what the cost was to develop that application.

>> It was no cost to the city because the vendor brought that to the city free of charge included in their contract.

>> Councilmember Herrera: Right but it was a cost to the vendor. Instead of the city vendor took on the cost and they have amortize, and the city gets the benefit of intellectual property that we don't somewhere to pay for,

that's a benefit to the city that we have working with this vendor. I think we took lemons and turned it into lemonade. It's not that we've abandoned the city staff, they are still running that. The other thing I've noticed is when they paint one thing I'd of I've had an issue with in the past and even when the volunteers because let's not forget, this was already discussed when I was outside the room, how many volunteers do we have?

>> Over 3600, some who actually have their own paint trucks and do an awesome job for us.

>> Councilmember Herrera: Can we do this without the volunteers?

>> I don't think so.

>> Councilmember Herrera: That's the missing piece there. The latest important is in the past, you paint with any sort of any color paint over the graffiti. And so it sort of leaves a spot where the graffiti was which then kind of tells the next graffiti artist, that's where I'm going to put my graffiti. The new way of doing it the entire surface is painted so there's no trace of the graffiti and in doing that using that strategy, it's less likely to get painted over. I know there's technology the other thing I wanted to say is I really appreciate the teamworking with some of the other folks. I know in our district we have special maintenance districts and we've gotten folks together so they've trained them in how to handle graffiti in parks so we're trying spread the message of the proper way to take down the graffiti with other folks. And I do have one question and it was raised by somebody who came up to raised by somebody who came up to speak, one of the public, how can we begin to work with other agencies? I know that's a problem. People see graffiti on train trestles,' or some other agency that we don't have control over. ' how can we begin, to create a graffiti central where we can all sort of work together to address these problems?

>> Councilmember we're working with these agencies today, we have regular meetings with CalTrans and VTA and so forth to get them to understand the new model that San José has taken and encourage them to also apply this restoration model. We'll continue to work with niece agencies and certainly report back on future reports on how that progress is coming along.

>> Councilmember Herrera: Would it be possible to on the technological side have an application that could then direct people to each different entity? So they take one picture and then it goes to the city, or it goes to VTA, I mean, have one application; is that possible?

>> Currently if a citizen reports through the application and then say a CalTrans call something on a highway, it will get reported to my staff, at the he graffiti office who will then.

>> Councilmember Herrera: I fess that's Manuel? Maybe that's if future. Okay thank you very much.

>> Mayor Reed: Councilmember Liccardo.

>> Councilmember Liccardo: .

>> Councilmember Liccardo: Is there any way in the contract that we could make a requirement going forward that we would actually have to reach out, I'm sorry, the contract woo have to reach out to other agencies?

>> We can negotiate things into the contract. Certainly, right now the city staff is handling that and actually I think it's more effective that we as a city maintain that rim we think we're making good strides and it's perhaps more effective agency to agency right now than perhaps having the vendor do it. However it is the case that some of the other agencies are interested, in hiring the vendor. And we're encouraging he them to do so. And if they have a direct rich thin it's a win win for everyone.

>> Councilmember Liccardo: I hope he they do, CalTrans has been to pit gently a disaster. I know it's don't better, I know it's not our turf and we can't do anything about it but it's frustrating to see.

>> Mayor Reed: All right, Councilmember Herrera.

>> Councilmember Herrera: I might say that might be the glue to put this together is this vendor with this software. If we can create that as a platform that might be the way to kind of string this whole thing together.

>> Absolutely.

>> Mayor Reed: Do we have a motion on 5.1? Councilmember Oliverio.

>> Councilmember Oliverio: I can't support those thanks.

>> Mayor Reed: All right we have a motion on the floor based on Councilmember Campos's memo. Councilmember Herrera.

>> Councilmember Herrera: So the memo, Councilmember Campos is simply asking for a few questions to be answered right? I think that's really -- you're asking for some questions to be answered and you're accepting the report. My glasses broke I'm sorry.

>> Councilmember Kalra: And this would be for the next report back in six months.

>> Mayor Reed: Thank you.

>> Data and information, incorporated into a future report I believe that item 3 also requests staff to do data analysis and I misinterpreting that so that would be additional staff work.

>> Councilmember Herrera: How much staff work would that be?

>> The way I'm reading this the maker of the motion can help me out if I'm interpreting this incorrectly, but if for any reason GPC were to exceed the 633, you would want us to re-do the service delivery evaluation which was

the analysis we conducted or the business case we conducted when we decided whether or not to outsource this service.

>> Councilmember Campos: Well I would be asking for you to redo this analysis to see, one, without sacrificing the deliverables, you know, we shouldn't be having to pay, extra what was the point of the outsource, at the end of five years we're back to paying the same amount? That's the gist of what item 3 is.

>> Mayor Reed: City Manager.

>> City Manager Figone: Julie in order to follow through with number 3, what would be needed and I don't necessarily mean from workload perspective but you know to the interpretation of what Councilmember Campos is asking. I would think we come back to council for a policy discussion, about the service delivery method and maybe between Julie or Ed, you can clarify how we would imagine handling this.

>> Yes, I think if we anticipate a significant overrun of the amount of funding then we would need to come back for a policy analysis and we would need to present that to mayor and council for further discussion.

>> Councilmember Campos: That's acceptable.

>> Mayor Reed: Councilmember Oliverio.

>> Councilmember Oliverio: I just think the program's working fine and I don't think staff could be doing other things, that's my reason for voting no. It's obviously working.

>> Mayor Reed: On the motion made by Councilmember Campos slightly modified here with the colloquy, all in favor, opposed, I have one opposed, I think one opposed, Councilmember Oliverio, everybody else is in favor, so that passes. Councilmember Campos, do you want to make a motion on 5.2?

>> Councilmember Campos: yes, move approval of the staff recommendation.

>> Mayor Reed: Move approval of the restitution on 5.2. We already had the public testimony. All in favor, opposed, none opposed, that's proved. Six or seven minutes after 6, there's food in the back. If we take up 4.2 or 4.1, we can clear staff out of here, I would propose we do those two items and then take a dinner break and then finish up the rest of the agenda when we come back at 7:00. So item 4.1 is the streamlining real estate process to sell surplus properties. Councilmember Pyle.

>> Councilmember Pyle: Mr. Reed -- excuse me, Mayor Reed, I think you did a great job on your memo and I would like to move to approve your memo.

>> Mayor Reed: Okay, we have a motion to approve the memo. I take that as a -- we don't really need to have a presentation on this.

>> Councilmember Pyle: No.

>> Mayor Reed: Is that what you're contemplating?

>> Councilmember Pyle: Uh-huh.

>> Mayor Reed: Councilmember Rocha.

>> Councilmember Rocha: Thank you mayor. I do have one question about process and asking generally speaking how we do the surplus properties when we sell them and initially in some cases, can we have council approval and now we're looking to streamline this. How difficult would it be for them to be consent items?

>> Nancy Kline economic development. Councilmember Rocha thank you for the question. The opportunity is for -- it's not so much that it would necessarily practically be difficult. But it will provide staff a lot more flexibility



instead of sequentially dealing with the overall most bring them to you as we're moving projects through. Which we had done that for example with Cahalan which was very successful gave the community opportunity to comment. Doing the surplus action alone would not be streamlining.

>> Councilmember Rocha: Gotcha, thank you.

>> Mayor Reed: Councilmember Liccardo.

>> Councilmember Liccardo: yes I'd just like to ask you mayor, about paragraph 4 that recommendation. I'm wondering, in respect that you've had some outreach with developers and brokers, it seems to me that it's hard for everyone in the abstract to imagine every potential circumstance in which a negotiation might -- like this might be appropriate or might not be, but it seems to me we wouldn't want to hamstring staff if they had the ability to use the tool in the context in which it was appropriate that is where a developer would actually welcome essentially the equivalent of an ENA with the ability of staff to go shop around and find a better deal. Why wouldn't we want to allow staff to have that tool?

>> Mayor Reed: I think it's a waste of time based on my experience in Real Estate and the discussions with developers, they're not going to give us the best offer that they're going to shop to other people some not the way the Real Estate industry works. To have staff do that would be a waste of time.

>> Councilmember Liccardo: We also have staff that routinely deals in real estate, we should respect their opinion on how to deal in the market. It seems to me that we might not get the most unbiased objective determination of the appropriateness of this approach from developers on the other side of the deal. That is, it may well be that this approach gives us the best deal and I can understand why someone might say we don't like this approach because it puts us at a disadvantage vis-a-vis the city.

>> Mayor Reed: Well, what I'm talking about is trying to get the staff to focus, and that's the purpose of my other recommendation to focus on their efforts on selling the property that we can sell to generate the money. And I

think if they take this approach they're going to waste a lot of time and energy because it's not going to be fruitful. I'm not opposed to having it as a tool in the tool box but if they go to that tool first as opposed to what will move the properties as the Redevelopment Agency experience has shown us, then it's a question of how you try to do it. It's not that they shouldn't have the ability to do that.

>> Councilmember Liccardo: What I'm concerned about is the language that says drop the process. I'm just concerned that they have that tool at their disposal.

>> Mayor Reed: Okay to leave that tool at their disposal.

>> Councilmember Liccardo: Would you be willing to modify your proposal?

>> Mayor Reed: Yes, if the maker of the motion is willing to make that change. And the seconder.

>> Councilmember Liccardo: I'd appreciate that.

>> Mayor Reed: Councilmember Herrera.

>> Councilmember Herrera: I had the same concern and I wanted to hear from Kim Walesh or Nancy about why they felt it was important to have this in here.

>> Kim Walesh: We believe there are situations that going through a full RFI process even if it was done as expeditiously and possible that would not be required. There could be a situation where we clearly have a developer perhaps somebody who we have worked with in the past who we think that it makes sense to take a shot at working with them first as long as there was appropriate community review and opportunity for others to best.

>> Councilmember Herrera: And from my understanding you weren't planning to use this -- you're not going to pull this out of the tool box, you would probably be a rare circumstance you would use this not something to go for right away?

>> Kim Walesh: Absolutely, it's intended to be a middle ground between an RFI and a full negotiation.

>> Councilmember Herrera: Maybe we're not used to looking at it in real estate but it has been used in I.T. and I appreciate the mayor modifying his memo and I would be supporting the motion.

>> Mayor Reed: We have a motion to approve with the modification of the memo. On the motion all in favor, I'm sorry before I take the vote, I had one -- David Wall wanted to speak before we take the vote.

>> This is where Mr. Mayor I want to reflect upon your real estate expertise. I think it's fair. I'm really concerned about selling properties, San José properties. Primarily because of the expertise, Your Honor, about selling properties that were acquired for about \$25.1 million in the option agreement. For -- that took a loss of \$18.2 million of the taxpayers' money debt service obligation, administrative cost. This is in reference to the sweetest land deal of the century, given to the owner of the Oakland athletics. Now, it's just an option agreement it's not permanent because there's not been a ruling from the baseball commissioner. And then of course the voters of San José can rule. But I am in no mood to turn the streamlining of selling our properties here in City of San José, to an organization, run by the City Manager, who threw away \$440,000 of free money to the Applegate Johnson scandal. So I'm in a quandary. I will go back to my chair and reflect and discern, how to reflect the loss of taxpayer money on such a great scale and from a high chair of responsibility pontificate on real estate experience. Thank you.

>> Mayor Reed: I think that concludes the public testimony on this. We have a motion. On the motion all in favor? Opposed? None opposed, that's approved. Councilmembers now 6:15. Do you want to try to take up 4.2 the consolidated plan to get it done before the dinner break? Okay we'll do that. We have a motion to approve but I've got some public testimony. Councilmember Rocha.

>> Councilmember Rocha: I'll read into the record, Jennifer lovey for generation home. TBA to tackle shared problems as how the community should do business and it's her continued honor to work with such innovators at the City of San José folks like Leslye Corsiglia and Councilmember Liccardo who always think big picture and work hard to make it happen. Thank you for your support in ending chronic homelessness.

>> Mayor Reed: I'm going to limit public testimony to one minute on this because we need to move on this. Alofa Talivaa, (saying names).

>> Mayor and councilmembers, I'm here to speak in support of allocating CDBG grant funds to purchase a new fire trucks. We already have a fire stakes, so -- station so it only makes sense to help the men and women in the fire department to have an up to date fire truck so they can perform you know their job properly. Thank you and I urge you to support, please, thank you.

>> Mayor Reed: David Wall. Should have been a little bit more honest.

>> Should have been a liberal more honest you wand to go have dinner. The fire truck purchase is important and should be done. It's interesting to say to serve low and moderate income neighborhoods, I don't know if it stops working as it crosses the border. As to the city's tenant paced rental assistance program, this is another asinine solution. These are families down there giving each other a kiss. These are hard core criminals for the most part and I've read your memo Mr. Liccardo, I'm not satisfied with it and I'm not satisfied using taxpayer dollars to relocate the scum into my neighborhood or anybody else's neighborhood. They should be rounded up and put in a stockade run by the military. Thank you.

>> Mayor Reed: Ki Lee and Robert Garner. Nobody here, that concludes the testimony on 4.2. We have a motion to approve, all in favor, opposed, none opposed, that's proved. It's now 20 minutes after we're going to take a dinner break, we'll be back in 40 minutes. Just plow right on through agenda. I'll take up 4.3 as soon as we get back in 40 minutes. We're going to take a recess.

>>> Good evening. We're going to call the San José city council meeting to order in just a minute.

Councilmembers have had a very brief dinner break but I'm pretty sure we have a corpsman in the building, once we get everybody moving, we will be able to start. We have one ceremonial item we're going to take first and then we're going to take up starting with item 4.3. Finish the afternoon agenda and then move into the evening agenda. Councilmember Kalra. I would like to call councilmember Kalra and brown to join me at the podium.

>> Thank you, mayor. I'm very happy to be here this evening to recognize a great citizen here in San José.

Steve brown is a graduate and d2 resident. He started a security firm, echelon, and trained then in mixed martial arts. Now just by starting a business in San José, has been very successful and has gone to other cities. Is reason enough to recognize him. But today there is something very specific that I would like to recognize about Stephen his heroism. In short I'm going to read the -- and you may remember this news not too long ago. The city of San José has a long history courageous residents who have only gone above the call of the Aid of their NASHTS. January 12th, 2012 Steve brown single-handedly apprehend one of two individuals attempting to carjack an individual after fleeing from a hit-and-run accident on highway 85 whereas little regard for his well-being Mr. Brown confronted the suspect and detained him until police were able to arrive. And unbeknownst to the Mr. Brown at the time he had obtained -- First all that's not advisable. The police department does not advise anyone do that. Certainly we're luck they we had Steve there because as many of you know, the other suspect was not apprehended for some time and they had -- it was a major issue and we know how dangerous those situations get when suspects aren't apprehended soon after incidents like that especially when they have weapons, which was found to be the case. So Steve really went above and beyond and I'm just proud have him as a San José resident, certainly a district2 resident, and most importantly, a good citizen that really stepped up at a time when our community needs him. So, mayor, if you could present Mr. Brown with this commendation.

[ Applause ]

>> Thank you.

>> thank you for the opportunity to be here, first of all, I'd like to thank you, councilmember as well as you, mayor reed, I'm honored for this public recognition. I'd -- I'd like to also thank the other city councilmembers for take time out of this session to acknowledge -- acknowledge me. I also just want to take a moment just to read a quote that I like very much. It's the only thing necessary for the triumph of evil is for good men to do nothing. It's a quote from edmond Burk, and I personally added a few words to that. If I may, I would like to add, if we have not honor, if we have not bravery, if we have not courage, respect and love, if we have not love for others, then we are not very far from animals. For animals strive to eat and live for themselves as individuals, some may even defend for their offspring, but a human, a human is to love, protect, and sacrifice for others simply because we are all one in the same. I also wanted to make a public declaration just for one moment. First, to my lord and savior jesus christ, also to my family, consisting of my lovely wife rosa, our beautiful children, Gabriel and grace, and my mother-in-law Maria, to my friends, co-workers and partners, and also you, the general public, may I continue to have opportunities to humbly serve you with love and honor without falter. God BLESS you all and thank you for this opportunity. [ Applause ]

>> Thank you.

>> now we're back on the afternoon agenda starting with im 4.3, the reallocation of the affordable Hughes units in the San José developmental policy. Councilmember Chu.

>> we have a motion and second to approve the recommendation. Just go g my staff. Talk to the representative and legacy partners. And we have to speak from Dan miller from the Irvine company.

>> Mayor member was council with the ooifbr Irving company. We support the staff recommendation for this, the allocation of these units. We're going to planning commission and the city council back to you in march. As soon as we get that approval we'll move forward and develop these units. This will continue OUR progress in north San José in continuing to create very needed construction jobs as well as housing. We've been very successful in north San José with moving forward with these projects. This will allow us to in an additional phase to the

crescent village project and with your approval of this it allows us to continue to move forward. Thank you very much.

>> thank you and I want to thank Irving company for their investment in north San José and elsewhere. I think their total investment's pushing \$500 million now in the projects that they're working on, and there are 700, 800 people of hard hats who work every day on those projects we appreciate those jobs and in Irving's confidence and in San José in make the investments. I think that they paid excess of \$30 million in building permits and fees. So we have some city staff that are working on this project as well, and we appreciate that. Councilmember olivero.

>> Thank you, mayor reed. REGISTERING a no-vote for the items discussed in the past on this. Shea developer agreept and we could have very well negotiated, the developer agreement to take care of the terrible backlog infrastructure in the San José road improvements that are necessary and that's my preference of how this money would had been allocate. I understand the rule staff to have it alcated differently but I won't be supporting that. Thank you.

>> on the motion, we have a motion to approve, councilmember Chu's motion? On that motion, all in favor? Opposed? Thank you. One oppose, passes on a 9-1 vote. So that is approved. We already had completion 5.1, 5.2. So now we have 6.1. The 15-mile-per-hour school zone program fees one. A motion to approve. Have any questions? I have no individual from the public to speak, or do I? Yes, I do. Councilmember olivero extents on this first.

>> I want to thank the department of transportation for lowering the speed limits in San José. I look forward to seeing more of them down.

>> customer request to take on assignment, take that now. Jeff and David way.

>> good evening, mayor reed. And all. What a concept that would be if calling for such draconian measures as this, acknowledged the knowledge for self-GOVERNING instead of insinuating Petty-coat government all over the land. I have a bumper sticker that reads "I respect this neighborhood. I drive it at a safe speed." Of course I have to try to live up to that everywhere I go, even though it seems that no one else cares about driving right. Even though that's very condition upon which the driving privilege is predicated. What a concept that would be if instead of throwing up another sign for another new rule that few, if any, are inclined to respect and perhaps none, other than those doing so under protest or who have faith that there is still time and that it is still possible to effectively address the challenge of social disorder. And that it is still possible to give up just a little bit more of the domain for the exercise of personal discretion in hopes of making a real difference somehow, for another rule -- for another rule that misses the point. If, instead of that, and this we disengage the clutching mechanism of politicized policymaking allowing the force of political will to power the gears of true social progress. What a concept that would be. Mr. Wall?

>> I stick around tonight to give accolade and praise to councilmember olivero. Councilmember olivero has had a lot of grief through committees about this issue to protect children and parents at schools. Parents, for the most part, are the problem as they don't pay any attention to proper vehicle codes and they're rushing around and taking a lot of shortcuts, and they're problems who are causing a lot of accidents and what have you. But, earlier when I mentioned that it's a duty of legislators to do their jobs, here is a prime example of one legislator who admits to his contemporaries taking a lot of unnecessary grief, chartered a study course, and now he's the one who will get the lie-in share justifiably for protecting the lives of children and their errant parents. Thank you, councilmember. People of district three should take note of this, that you protected their kids at schools, as opposed to district three -- excuse me, district six, as opposed to district three where they get to play in St. James park.

>> that concludes the public testimony. We have a motion to approve item 6.1. On the motion all in favor? Opposed? None opposed. That's approved. 6.2, we took care of this afternoon. We now need to take up a joint matter between the city of San José and the city of San José's redevelopment agency successor agency. Resolutions 9.1 and 9.2. Additional staff presentation on those.



>> I think we're just here for questions, mayor.

>> Okay. On 9.1 is there a motion? I have a motion to approve 9.1. On the motion, all in favor? Opposed?  
None opposed. That's approved. 9.2 is the recognized allegation payments schedule again. Motion to approve.  
On the motion, all in favor.

>> Aye.

>> Oppose --

>> Mayor.

>> Councilmember olivero.

>> The necessary second time it's come into the council.

>> No the first time were the enforceable obligations. The eops. This is a little bit different in terms of the recognized payments and this will now go to the oversight board with the successor agency staff will present and we'll sort of take it from there.

>> And I wanted to ask the question the city manager I ask last time, is this in your belief, as optimized for covering the general fund as possible?

>> I believe it is and staff can back me up if they have anything else to add. It's really going to depend on the bills that we have to pay and the revenue that flows through the waterfall.

>> I think at the end of the day you will see that there is a shortfall in terms of tax increment and code obligations. I think that you'll see most of the important obligations to the extent we protect general fund, that's a priority. But there are some agreements that we're going to have to come back to council and the oversight board, and either get deferrals or find other ways to handle those. But that's sort of down the road but I don't think that it's anybody's surprise that there is more debt out there than revenue.

>> Thank you.

>> on the motion, all in favor? Opposed? None oppose. That's approved. That concludes the joint items with the successor agency for the redevelopment agency. Item 3.4 is the fiscal '11-'12. We've had this in front of us before. A time or two before. And we have a ballot. I think this is the paper ballot that every councilmember should have one eventually here when we get done we'll be marking these ballots, if I understand the process right, for each councilmember's priorities. Okay, put your name at the top. Any name will do, but preferably your own name.

>> Sort it out.

>> Otherwise will have a tough time sorting them out. Councilmember Olivero.

>> Thank you, mayor. On the list for a while one is the conservation area ordinance. Had is one that's actually very limited city funding. Would need to be done. Because it really allows communities for themselves to choose what makes their community unique, I.E. it could be an I-corp ability, it could be more older homes who want to do something unique in regards to the square footage of lots, garage replacement, et cetera. But when we have no money to do preservation this is really putting the onus on individual property owners to do that and I think that it's worthy and at the same time, I'm also you know on the quality of life issues, we often get calls on the items of noise and I think there should be more clarification there. Thank you.

>> councilmember Liccardo.

>> Since we're given a plugged, I would like to identify an item that was added at the very end, the transportation innovation to support -- development. The reason that I'm asking for support of this, this has actually been on the work plan I think since 2008, when the memo originally went through rules. We've now got a situation where development is now kicking up again. I think we've got a lot of interest from a lot of developers throughout the downtown. We know their real impacts, in the downtown, other areas where higher densities are going like district four, district six and district seven and dealing with those transportation impacts, particularly the traffic and the parking, create real headaches for, obviously for us, in terms of being able to ensure the development is compatible to surrounding neighborhoods and ensuring that neighborhoods can support the development. We've got coming out of the gate very soon a car share program where we're negotiating with the vendor now. We've just completed rsp and also ruling out a bike share program this fall. Currently eco-pass is being debated with the E.T.A. and it's not certain if the staff will continue to support eco-pass. A time that being able to negotiate with developers around reduction, parking ratios and other kinds of incentives to contribute to these alternative forms of transportation to give folks out of their cars, and obviously reduce traffic with some other lower cost litigations, may go a long, long way. And I think at that timing is important for us to get started now recognizing that the clock has been ticking and these innovations are on their way this year.

>> councilmember campos.

>> Thank you, mayor. I just wanted to continue to provide clarification on some staff recommendation to combine a couple of the items. One of them being combining what used to be, eye believe it was item 22, is that correct, laurel? With item one?

>> A portion of --

>> A portion of 22. The portion that deals with food in excess of healthy foods which leaves item 27 which also had portions of dealing with food in it. But item 27 still has the lan use of that and the importance of getting 27 -- or getting 27 on the list, what it will do is it allows staff to go back and do analysis on the food trucks that right now

if they wanted to they could park right in a parking lot next to an existing brick and mortar restaurant which you know in any of our neighborhoods it becomes a problem for you know multiple reasons. A lot of it you know for the existing brick and mortar businesses. We also find it being a problem. I know here in the downtown area with some of the food trucks. So one, we want to be able to find a happy median so everyone can coexist and you know have the ability to be SKF with the businesses, whether they exist invest in a building or whether they invest in a truck so I wanted to give a plug on that one.

>> Thank you, mayor. If staff could please refresh my memory, in looking at the yellow document, it says "nine," was there some discussion, or did I move something from the deferral that we weren't going to select ten? Please vote for your nine priorities. We're not doing ten? Or am I --.

>> I'm sorry, councilmember. Could you repeat the question, please.

>> On the yellow sheet --

>> Let me just explain.

>> Yes.

>> I think I got it. We're adding to the top ten list, their nine spots because we already have one in Queue ahead of it.

>> And that one?

>> I don't know what that is.

>> It'll be 9 out of 20 because we have grade out the ones that we're consolidating.

>> Recommending deferrals. Recommend removal. What is the one that we're continuing to work on?

>> Beyond the ten, we have real estate's streamlining and then in the original memo we have the list of top ten that we're working on. So the ones that you wrote down today will actually, as we finish work on the current top ten we'll start replacing that top ten. So it will not replace it right now, but everything that's on the current top ten is scheduled to finish by the end of June.

>> Okay.

>> So the nine that you'll be voting on today will sort of, you know, staff will start focusing on those.

>> Okay. Then I'll jump to my endorsement of three items and I'll start with the public review of new retail use -- reuse and this one speaks to an issue in my district where a retail use or commercial use moved into an existing building which doesn't require any public review or discretionary view or approval from the city which general I want, but when the impact of that new use is the word I use intensification, significant intensification and then I would like to see some review and I'm not suggesting councilmember review or a planner review I'm asking for a staff review to look at that intensification if there should be one and if there is no intensification then I don't expect anybody to work on anything. Some discussion at the rules committee is what this might capture. And there was mention of, you know, the costcos and the large big box, but I can't imagine if one of those moved out, what could be any more intense of the use in terms of cost co-, in terms of trafficking impact or neighborhood impact so I don't generally agree there would be significant review of anything like, that but that was staff's comment and wanted to give my opinion of that. The donation boxes. The issue that folks were here last time we heard this issue that spoke, salvation Army, I believe. And they talked about the donation boxes and the impact of their work in trying to get goods to get the folks who need them and then item 26 was the contract employee benefits as we're considering contracting out services to have some minimal standards for some those COMPANIES TO look at benefit levels whether it's days off, time off or vacation. So those, three that I had recommended in a memo. Thank you.

>> Let me share with you, vice mayor Nguyen, her priorities. She was going to be able to call in today but that didn't work out so she's not able to participate. Her top three priorities were 21. The unintended dominoes. Number one access to healthy foods. And number 17 to public entertainment business permit fees.

>> Is that notarized?

>> No, it's definitely not, definitely not notarized. On item number 17, the public entertainment business permit fee methodology. The staff's recommending a deferral on that. I don't agree with that. We've been letting those nightclubs slide for five years, maybe longer in terms of paying some of the costs that they're creating for our police department downtown and I think that the sooner that we can deal with that, the better. So I'm not interested in deferring it until we vote for that one and that was also vice mayor Nguyen's list. Councilmember Kalra.

>> Thank you. I certainly agree with a couple of folks, endorsement regulated unintentional donation box. If any of us go through our neighborhoods we'll see a lot of these boxes to be at least if not it's leave their donation boxes but they're not and snapping away resources from good nonprofits who serve a community like goodwill and salvation Army. And so I think that's a real important issue that really amounts to -- in some cases because they have spread around the communities so fast, so quickly. In addition, I also would support the public of retailer that we use. And councilmember referred to the transportation. I agree with that. With the club requirements and the parking garage. It's in the line of the forethinking what we need to be thinking about in terms of public transit. Involves the new infrastructure for the new vehicles I think that we're going to see more and more of. And we need to start providing an infrastructure for that. I don't know if I mentioned access to healthy food, I'll be supporting as well. And the contractor employee benefits, I think that we just approved a couple of contracts, recently that we'll not be able to revisit for a long time. So I think that it's time that we have something put in place so we have some basic standards as we move forward and look at other avenues for alternative delivery models. We need to have something in place that allows us to have some basic standards of the quality, the quality of the -- of at least a base benefits to those doing the work on behalf of the city and for the residents and I have a question about the green building retrofit ordinance and I don't have any -- I'm not suggesting it not be deferred

but I'm curious and the thought processes as far as going forward and when we might be able to visit that? Because I think that's important over the next couple of years as we consider some of our top priorities.

>> Thank you, councilmember. We'll actually be discussing green building at Monday's teeny meeting but to give you a preview we share your view that this is very important. We'll be discussing with the committee the various cal green codes that are coming up. They're now looking at retrofits. Right fouthey're focusing on certain types of nonresdesht but we expect that they are going to be expanding so what we're trying to balance is how we can continue to be a leader with our green vision, while at the same time, recognizing that we are open for business and are competitive with other cities within the area. So at this time we are not proposing to create San José's specific retrofit, but we do want to continue to monitor with what's happening at the state and the local level and then when it's appropriate come back with a recommendation to pursue appropriate codes and policies.

>> I think all know at a restaurant that all the jurisdictions are heading think at some point. But I think that this is the direction that we do want to go in and it's FWHART we come up with a policy that's on our terms rather than to wait territory state to put something down pithink that we is a greater opportunity to influence state policy if we get something if place, prior to them, putting something in place. And then a question about the -- the policy. If what regard is that being looked at.

>> The general plan update process. We have a significant community interest to codify. That would take the corridor study and put it into that form of legislation. Right now we have general plan policies and our own practice with respect to those, but community felt very strongly about having something with a little bit more teeth and this is something that we've been exploring but it hasn't reached the top of our work plan yet.

>> I agree with -- to those in the community. We certainly have stuck to the policy. We encoached another corridor and I think it's better and let's come up with the policy that we can live by and be consistent with and actually have some teeth to it. If it's not credit to the crime, kind of guidelines, so be it, but at least something that we can rely upon that developers can rely upon, and certainly the community can rely upon when it comes to protecting our waterways. Thank you.

>> Councilmember pyle.

>> about the only one -- in fact, I wrote just about everything in here in the PEAR PEAR is the one I was going to bring up. So thank you. You beat me to the punch but I think my project in Burkside was one of the last to have a corridor. He's shaking his head so that must be. Emphasis. It is a tortuous thing when we don't have strict guidelines to go by so I would underscore that. Thank you.

>> councilmember Herrera.

>> Thank you, mayor. Wanted to ask about number 15 policy. Zoning.

>> Yeah, thank you, this is the idea of how we can take our general plan essentially create zoning standards. For our new urban villages. So what we're looking at is doing the master planning in our new urban villages. So, for example, we have one under way in the five wounds area. We do have grant funding to essentially rezone property along Allen rock to meet with the new hain stream. And also pertain to the new urban villages that will be doing. This will facilitate development happening in those urban villages and we'll really make it a lot easier. We expect to taylor them to the individual concerns of the neighborhoods. There was some concern last fall that we would just blanket a single set of zoning regulations across the entire city. San José is too diverse for something like that, so this is essentially a key implementation pool for our plan.

>> I think it's important and I think that it's important that we do these villages that we put these kind of processes in place, so that's going to be on my list. And I'm going on support the access to healthy food, number one. Special events, I think that we need to move that forward and I think that it's 50% done, if I recall. That's an agendum. Joe, could you speak to that? It's number 18.



>> Yes the council did amend the ordinance to allow us more flexibility in approving those at that time, staff suggested that we actually create some policy guidance so the development communities and the neighborhoods of what is acceptable, what basic terms and when and that's the purpose of this policy.

>> Next 28 which is councilmember mentioned -- I think that's critical and number five for parking. 19 the red paring quarter policy because I'm glad, councilmember, whoever brought that up. Because I do recall the community was very concerned about that process so to the point that we keep that in there. And number 15 the urban village.

>> Congressman, Liccardo. I remember seeing a memo a couple of week ago, we have some regulation on the books now. The public and the private party and where is the gap.

>> We released an information memo released a week or so and outlines the current lines. It does pertain to primary property and outlines what the process is.

>> So if we have that already on the books is it just a question of us not having the bandwidth to enforce what we have or maybe the question maybe for council member ROKA as well where do we want to go from what we have now?

>> I will take the first base. It is an enforcement ban issue. We do respond when we get complaints and we just got E-mailed in a list of a long stack of complaints for us to start looking at and in my experience in looking at a number of the donation boxes they do not comply with our location criteria about where they're at, how they're maintained, but I think the issue that is raised with the referral is, do our rules go far enough? Because having a 30-day maintenance responsibility versus say, a one-week responsibility if there is Graffiti or things dumped outside of it and I think that's a fair question and we get a lot of complaints and also questions that cities grapple with, is it only nonprofit the or so can the foreproperties?

>> This could be a fairly quick issue resolved. It's just a matter of tweaking the ordinance, too. Sort of address whatever we think is being missed.

>> I think it can be a pretty quick ordinance we just kind of go do it and don't get trapped into a bunch of outreach and kind of meetings with -- a lot of desperate parties on it but part of that will be a function of how we change the roles. If we get into the profit/nonprofit issue that one is more vexing versus saying you have to maintain it within seven days type thing.

>> Yeah.

>> So I think us coming back license will be more clearer about the council with what's really involved in it.

>> Thanks.

>> Councilmember Rocha.

>> Thank you for the questions. I am trying to refresh my memory. And clear up a mistake I made if my comments, it was goodwill who was here. Not the salvation Army, folks. But I think part of that was the disclosure of whether it was a for profit or not or a nonprofit and also I think some disclosure issues related to maintenance and then contact information.

>> Correct.

>> Yeah a number of those issues but I think that Gerald spoke to them quite well.

>> Public to speak. I will take this time Julie tucker and David wall.

>>Ualie. No julie. Okay. David wall.

>> first I'd like to talk about the contractor's health care vacation benefits. I think councilmember, he bought a fast ticket on the slow hell-bound train. I was to take a look at city employees in the face of kids, paying 25 bucks a pop for co-pays and you want to give corporates benefits, I don't accept that. Car share, why don't we call it what it is? Give the development community a break. If do you car share, what, you don't have the required car parts? No. The same person who goes for this ride share program, or car share rather. Disingenuous on a bunch of fronts. It talks about ec-passes out of one corner of his mouth and yet denies eco-pass. So how can you use this issue eco-pass anywhere in the city when you have taken away eco-pass from city employees? I also think about when I hear transportation issues and car sharing about the people who voted to relax transportation infrastructure fees of late and out of the development fees of late. And then when I hear thanksgiving to the Irvine company, a developer. I don't see the thanks conditioned on the fact the transportation issues of course, car sharing of course, but above all the \$500 million or so that sounds irate papers willpate major iterate. To assist these cursive developments for San José.

>> jan Saku.

>> Mr. Mayor, councilmember, thank you for the opportunity to speak. My name is jan Saku. We're a nonprofit organization and we operate equality donations program. In the city we had our boxes present in the city until '06-'07 or so and I have two points to make about the proposed, hopefully it's ordinance or the future ordinance that we're talking about here today. Number one is that the argument from a good way of about how good the preservation of the going down. The simple thing is to look up their form in which they file every year and you will see that their volume of sales from donated items goes up every year. Another thing is that there has been a number of instances on the state level and city level where they have been trying to push ordinances against, donation boxes. Very much simple competition thing, as I'm pretty sure that you know the good will is receiving about 350,000 a year, compensation from the city of San José for recycling services which I'm sure we wouldn't be there they would be receiving even more. When it comes to the concerns that were raised yes there a state law that requires certain disclosure on boxes. If these boxes are owned by a profit or a nonprofit organization, address, contact information. What happens to the donations, how to get the receipt, et cetera, et cetera. So

there is already a state law in place. There was another point about response. We have no problem with that.

About twice a week --

>> Sorry your time is up.

>> Thank you, sir.

>> That concludes the public testimony on these items. Any additional council questions? If not we need to fill out the ballots, the yellow ballots. Select up to nine or your choice, no more than nine. And then kirk will collect them and then, while that's happening I had one question. I know that there was some discussion last time about moving some things from the list. If they're not important. Have removed three items of removal. We should talk about whether or not we're going to drop anything from the list. Councilmember oliverio.

>> Can make a motion. We can count it and go on the other agenda items.

>> Yes, no reason that we can't pass this and come back to it. City clerk?

>> I need to read out.

>> Your SUSPENSE is kiting me.

>> You have to read it out so the public knows how people voted, so can you read silently? While we work? Apparently not. Okay that needs to be on the record and just go ahead and do that. You'll read it and someone will tell you, is that how it works?

>> That's correct, Mr. Mayor.

>> okay.

>> councilmember Herrera VOTES for number one. Number five. Number seven. Number 15 number 8. Oh, sorry. I'm going too fast.

>> do you want me to go back? Okay. One, five and six, okay. So after one, five and seven, number 15. Number 18. Number 19. Number 21. And number 28. That's the last one. Councilmember Rocha's next. Councilmember Rocha VOTES for number one. Number 15. Number 18. 19. 20. And 21. That last one should be up on that one. Thank you. Number 26. 27 and 28. Councilmember Liccardo. VOTES for number one, number five, number seven number 21. Number 23. And number 28. Councilmember pyle VOTES for number one, number five, number seven, number 17. Number 19. Number 20. And number 21. Number 26. And number 27. Mayor reed votes for number one, number seven, number ten, number 15 number 17. Number 18. Number 19. Number 21. And number 23. Councilmember campos votes for number one, number three, number five, number 15, number 20, number 21 number 26. 27 and 28. Councilmember constant votes for number one, number three, number ten, number 15, number 16, number 17, number 18, number 21 and number 27. Councilmember oliverio votes for number one, number four, number six, number ten, number 13, number 15, number 21, number 27 and number 28. Councilmember Chu votes for number one, number two, number three, number five, number seven, number 15, number 20, number 21 and number 26. Councilmember Kalra votes for number one, number five, number seven, number 19, number 20, number 21, number 26, number 27, and number 28. Could you scroll down a little, John? Thank you. So we have number one with ten VOTES, number 21 with ten VOTES, number 15 with seven VOTES. We have numbers five, seven, 27 and 28 with six. And then we have a three-way tie with numbers 19, 20 and 26. Each with five votes. That would give us a ten instead of nine. I'm sorry? Is there nine?

>> I think we did six VOTES since vice mayor points out we're short on vote time on various tallies.

>> we'll be back in August on this if we get room on the work plant I guess, right? So we have seven is that -- it'll get at least six VOTES?

>> We have seven. They got six VOTES or more.

>> Okay, we should take up the question whether or not we want to drop any of their staff. Three recommendations for removal. I know that some councilmembers were interested in shortning the list a little bit. Councilmember Herrera?

>> Yeah I would like to make a motion staff recommendation to drop the ones that they recommended to be dropped.

>> well, let's see the ones for removal is nine. That condominium apartment conversion maintenance ordinance and 12 multifamily district update, removal. And then 14. 14, north San José foreign-based code recommended removal. The other staff was just recommending deferral. So there is three, then, staff's recommending removal. We have a motion -- I don't know who got the second. I'm going to the second down here. Was there a second?

>> I didn't hear.

>> The second down here.

>> Okay on those three to just drop? On the motion?

>> All in favor.

>> Yea.

>> Oppose.

>> Councilmember Liccardo? Certainly I don't have the magic screen up here. I'm looking at the other one.

>> Thank you. Just on number nine we had a conversation yesterday. I can tell you I just today received two E-mails from community members in the spartan keyes neighborhood where we had a change in tenure of what was proposed versus what the the developer's telling the community what going forward and this issue is very much alive and I ask it doesn't need to be an ordinance. I would simply like it to be in the staff on ced to be able to, fashion a council policy or a staff policy, whatever it is, just something that says, we're going to figure outowf a way to notify people when a development is not what we told them it was going to be or what the developer told them it was going to be so we can at least keep the faith of our communities.

>> That's a -- number nine was the condominium ordinance. Councilmember Rocha?

>> As far as the minimum of six VOTES to move them to the priority list that air policy that we even weren't using for years here on this issue, or is that --

>> We haven't been doing this for years.

>> I think for the council to take any action and in this direction you need six VOTES. So it's a charter requirement. That any council action needs six VOTES.

>> Okay, thank you. Councilmember Kalra.

>> Thank you, well similar to how we oftentimes vote several ROUNDS when we have a couple of commission seats open and we keep voting until we get six. Here we have three items that tied for eighth and we're trying to get nine. So why don't we just vote on those three and everyone gets two VOTES and so there are two spots left and that would satisfy the ability to get six since we found two of them and then we're getting nine, like these starter lists. Bound to get nine. Only two spots left to get to the nine. Put those three and shift it in and nake a top ten but they don't have the six VOTES and instead just vote on those three that clearly tied for eighth and everybody gets two VOTES.

>> Okay, well the motion on the floor is to drop three and that we can come back of how it handle --

>> Oh, I understand that. Because you didn't have the screen up.

>> So we can come back of what to do with the open spot or spots, I have lost track of it. Councilmember Herrera.

>> I just want to follow staff's recommendation. I think we need move forward on some these policies that we're all supporting and those that for whatever reason need to be taken off I think we also need to remove those things. I hope you will support this.

>> Congressman Kalra. Okay congressman oliverio.

>> The other Italian man there.

>> I'm looking at the screen now so -- you're reading it.

>> I made the ASSUMPTION on the condo conversion the existing apartments going to condominium versus something that hasn't been built yet changing, can somebody clarify which one it is?

>> This is related to unbuilt projects as opposed to something that was built.

>> I need to know for the record that are there serious legal issues with requiring these notices and I think that we've tried to work with staff and through the council office of, what can we do? And I think those are -- that's the challenge. I want to put it out there that we're willing to look at it but what we can do may be very limited.



>> Well ijust want to, now that it is clarified, I share the same concerns that congressman Liccardo has on built projects of what has been promised versus what's delivered and I prefer not to drop that one at this time tonight. So I don't know if the maker of the motion would consider dropping of the two.

>> I think that staff said that they'll try to work -- they're going to try to work this through, not in an ordinance form.

>> The cde yesterday it is policy versus an ordinance. So it is something that you know theoretically has less work to it it, but it is something as I told the committee yesterday, the same staff would be working that and the same staff who are working on the same things that we just voted on so we'll try to tuck it in amongst things. How many VOTES did it get.

>> None.

>> My motion stands. I think that this list needs to get whittled down, making priorities and let's be realistic of what we can work on and let's staff things that we're not going to prioritize.

>> A motion to drop three items? And of course you can always put them on the list for now. All in motion, all in favor? Opposed? Nonopposed on the drop motion. So we dropped those three. Now back to the -- how many slots did we not fill with the first round of voting.

>> We had one, two, three -- one, two, three, four, five, six -- we have seven.

>> Collected seven.

>> So if it is top nine we have two slots remaining.

>> So we could vote again? We don't have to have ten, we don't have to have nine, we don't have to have seven, but if somebody wants to make a motion to deal with it, then we will. Congressman Kalra.

>> Thank you. I make the motion of the three that tied similarly to how we vote on commissions at the times when people who tie, cannot keep voting until we get one or two at top. Can vote up to two. They don't have to vote for anything but they can vote up to two and that if we get six. I need one of those three in. And then obviously whoever gets the highest would move in. The top two would move in. But it's six no matter what.

>> We'll take the motions to take those three, vote for two and we'll tally the VOTES and see if we get to six. Up to two. All right that's the motion. On that motion, all in favor? Opposed? Nobody's opposed to it -- one, two opposed pageant the majority wants to vote against. So we'll take those three, whatever they were, the city clerk will have to tell us which three they were as soon as we get the ballot so that we can take notes of our notes.

>> I think it's 1920 and '26.

>> 1920 and '2 sir, that's correct, councilmember.

>> Councilmember oliverio.

>> I felt that the seven was fine and then we would prioritize. We sort of said which ones are the most important, the staff can deliver those and if you get them done you can just come back two months early and then we and choose from there so I prefer to vote for none because I think that we've already got enough -- have enough priorities put forward.

>> You are welcome to vote for someone to you're not required to vote, is that right, city attorney?

>> May I abstain for the city attorney.

>> Yes.

>> We've already voted on your choices and you don't have to vote.

>> so vote up to two. Are there other comments on that? Councilmember Kalra.

>> Yeah I remember the last time we actually put an extra one in, and then this is following of what we, did our past practice, we added an extra one because we had a voted situation. We just decided to slide that way in the moment it was faced but anyway --

>> Councilmember. Herrera.

>> I wanted to lobby for the -- policy.

>> That's Rocha.

>> okay. I think we're ready to tally the sheets again. This one won't take quite as long.

>> No.

>> everybody -- everybody needs to make sure their name's on, and is anybody still holding a tally sheet? The items up for vote were 19, 20 and 26. Councilmember oliverio votes for number 19. Councilmember Chu VOTES for -- oh, let you get there -- councilmember Chu votes for number 20 and number 26. Councilmember Kalra votes for number 20 and number 26. Councilmember Herrera votes for number 19. Councilmember pyle votes for number 19 and number 20. Councilmember Liccardo votes for number 19. Mayor reed votes for number 19. Councilmember campos votes for number 20 and number 26. Councilmember constant casts no votes. Councilmember Rocha VOTES for number 20 and number 26. It doesn't look like -- it doesn't look like -- it doesn't look like anybody got six VOTES. We'll take it up again in August. All right, I think we're done on this item for the

evening, at least. It shows you how important having a vice mayor is. Trying to get to six, it's important to have 11 to start with. Okay, we're now going to move to the evening agenda. Number 11.2 rezoning your property on the east site of morse street. I have some requests from the possible speak. As soon as we get organized here, we'll come back to that. Congressman oliverio.

>> I would like to hear from other speakers maybe.

>> Take a public first here. Maryanne smutanek, I am not sure I got name right but maryanne, you probably know who are. Come on down. And Elizabeth.

>> [Inaudible ]

>> I'm sorry. I just can't hear you. [ inaudible ]

>> Come on down. Eventually you will get to the microphone and you'll be fine.

>> Recovering from knee surgery. Good evening, mayor reed and councilmembers. My name is Elizabeth nedved and I'm the neighbor who was directly next door to the 908 morse property in question. I said from the beginning that we did not want four houses on this property and that it changes the whole character of the neighborhood. Four homes is far too many for this lot. While understand that Barry swanson is well within his right to build these MOEMS the neighborhood is not happy. With that said I would like -- what I would ideally like to see the home next door to me be a single story home. The current home that is there is approximately 30 feet from my property. With the new home it will be about five treat my property. Therefore my view from my living room, dining room and children's bedrooms will be a huge wall. I would also like to see four distinct homes with different heights and pitches. At this moment are there four homes with two different styles. Some of the styles I would like to see are bungalow, colonial, Cape Cod and tudor. These are all homes which currently exist in the rose garden neighborhood. And since the lighting is so poor on our streets, I would like to see a light post in front of each home. We've been waiting nine years for a light, a second light post to be put on our street. We will

continue to work with Barry swenson to make sure these homes are appealing and satisfactory to our neighborhood. And I hope that you will take into consideration our concerns. Thank you very much.

>> maryanne smuterak, and then David wall.

>> good evening. My name is maryanne summitnak. Our community is here to ask council for your support and vote on this important matter. The subject site for three new residence instead of the proposed four for the following reasons. Number one, the safety issue. House "a" places a garage and driveway at the onset of an existing blind corner at Morris and Davis. Due to my complaints to the city, they came out, painted the curb red and placed yellow safety Markers in the turn of the dangerous, narrow, blind corner. The return of no parking at anytime street signs needs to be replaced as it was before on the noise wall side of that street. Also, as far as I know, there has not been a safety traffic study taken place. If this design does not change possible death or serious injury at this blind corner can occur. So either the car's coming around as we hear down the street will hit the wall or hit the new home. Who will be accountable? The city or the builder? Number two, there is an environmental issues. There will be two 70-year-old trees that will be removed. Also, number three, my daughter Elizabeth whose home she spoke of was promised a shadow report and as to --

>> I am sorry your time is up.

>> No shadow report.

>> Your time is up. David wall is our last speaker.

>> Thank you. Thank you for your consideration.

>> I don't live in district six. I live in district three. But this type of development should cease by law throughout the city. I mean these little pocket developments where you can put these four houses, five houses, six houses on a postage stamp and have a little twox4 going into one person's bathroom window into another person's

bathroom window has to stop. You're taking a pristine neighborhood and making it a slum. And that brings up the issue of blockbusting because these people have property investments. Have lived there all of their lives. Have nice houses, nice lots and some developer has his way with the council can step in and say hey, I can increase your tax revenue by putting in these little Quasi slums and you buy in to it and you allow it, you don't prevent it. And the previous speaker just said about traffic, you will have people parking their cars off of the street in front other people's houses, junking up the neighborhood. Who's going to be sweeping the streets and taking care of things in the neighborhood? No, these type of projects should be just outlawed by -- just completely banned. And I was compelled to speak when I saw this type of thing because it reminds me of what I see going on throughout the city and it's just garbage. I don't care how well it looks, what it does, the impacts it has on surrounding neighbors especially just the god awful blite these things make and increase in noise, just increase in congestion. How you could live with yourselves to permit this, well, it's not beyond by imagination, but you should get rid of this project.

>> thank you the public testimony on this item. Congressman oliverio.

>> Thank you, mayor reed. I appreciate the comments from the community. We had a meeting from the planned commission to get out of planning speak and to explain the topic. Really to picture a rectangle, this rectangle has zoning over it and it allows this oversized lot to be divided by right over the counter. But because they're look for a little bit of a setback difference, now it comes in for the plan development, so therefore, it comes to council. So, for example, if we were all to decide this wasn't the thing to do, they could come back tomorrow and come over the counter and put four homes there, but because this is a planned development and we do have a little bit more control and staff has made things, like moving the garages to the back, the frontages resemble homes that are in the other areas and so that's good. That's another reason why I think the distinctive neighborhood program would be good because it would allow homeowners to specify minimum lot sizes. So if they wanted to problem of, would they deem quality life issue by lot size and that could be something that they could do. Right now they can't because that's not an option. That idea is that we went through the general plan. The idea was really not to promote subdividing but really to get extra units when we do new developments and have transit orient develop get on unit. Why disrupt the neighborhood? But on the other side of the fence I can't change the rules for the

property owner when it's already been done, so I will make a motion to approve the plan development with two factors. One is that as we try to accommodate and make it match the neighborhood that all of the windows facing Morris, the street, as well as the site of the house existing the home have truly divided windows. Thus, therefore, capturing the personality of the neighborhood and these homes whatever you build create some level of traffic fees and I would like to see those traffic fees allocated to Morris street. The street right front of where these houses have, like a lot of streets in San José, maybe doesn't have the best pavement. It has some potholes and I think this will create some increment of money that could be put towards there and it's certainly within the nexus because of the street that it's on, and that would be the motion.

>> all right, we have a motion on the floor. Councilmember Kalra.

>> thank you. I love putting my plan on commissioner head-on, it brings bad memories. The bad things getting here at 8:00 and hang out until 1:00 in the. Right, Xavier? Is it the setback issue, then, is what it is causing to go to the plan developmental process?

>> The setback's is one the reasons for doing the plan development. Originally they had filed the plan development to do more homes on the property and staff and the neighborhood were very clear that five was way too much on here.

>> Yeah, I would definitely agree. If it was five I don't see how you could have possibly done five and maintain the single family home nature of the neighborhood but I think that with this space, you know I think this maximizes the space, and without I think, without overcompromising the neighborhood. I generally don't like micromanaging kind of like what projects should look like but I think that I like putting it in the staff's hands to kind of monitor what it going to look like and the treatments and all of that. I trust the staff will be able to ensure that they mon tort project in just a manner that's suitable for the neighborhood.

>> Right. I think it is important to note, one of the things that with the new general plan, the comments you heard about matching the neighborhood and not exceeding that is something that we're implementing with this and

that's why we did not support five lots. Is that directly across the street from this are four single family homes. The home adjacent to this is a single family home that's a narrower lot. So this neighborhood does have the smaller frontages than what we're looking at this in but we didn't want to go through and in the old days we would have put townhouses on this site.

>> Yeah.

>> So, this is very much the new philosophy of the city to not kind of pack houses in. It's to fill out missing pieces in the neighborhood. Where you've gone and put the garages in the back for three of the four homes as a way to really match the character of this neighborhood and with the architecture we will go through and as councilmember oliverio noted, to go through and really pick up the detailing of this neighborhood that each of these homes should really have a different character, it should be a true character and not kind a pseudo San José provincial-type look. It should be true to the rose garden neighborhood.

>> I recall a project before us upon commission did kind of clam in higher density than it was appropriate I felt. Sometimes there were adjustments made that made it appropriate but I think that this when we talk about high density and so on for the general plan I think that it does revolve much more around transit orient. For a project like this I think that it is appropriate to fill that space. Suitable for the neighborhood but still you're adding four more housing units but I think that you're doing it in a way that's appropriate as opposed to other neighborhoods in the past. Where I do recall, there were much larger, multiunit kind of attached homes right next to single family homes. I think those are the -- those are the times when I think that they really kind of destroyed the makeup -- or to have the tendency or the possibility to destroy the neighborhood. This project's done well and I trust the planning staff, and frankly the neighborhood and the community to monitor it closely enough to make sure it's done in a tasteful manner. Thank you.

>> Councilmember Liccardo.



>> Joe, I know it is not within our role to be weighing in on design, but how does planning staff likely to work with the developer to address the issue of the wall be facing the adjoining neighbor? Is there something like to acquire that they ensure there is respected interface there between the two properties?

>> So normally you are correct is that we would not regulate that as just the property and the adjoining property could build a two-story wall with the solid glass facing the side. I think the developer's heard the concerns about that sensitive issue -- the sensitivity of how that home orients to the side. They do have the benefit of having the driveway and they have a side that has a much more larger open space to orient those rooms into that direction. The house should ordwlaent way, so that the permit stage, that is one of the things that we'd be looking at is how that home "d" is rented to minimize having wind opecially if they were doing anything second story that would be orienting directly at the neighboring property. Normally like the bedrooms we would orient them to the backyard and you'd only have like a bathroom window that would be on the side direction.

>> Okay. Thank you.

>> we have a motion on the floor. On that motion, all in favor? Opposed? None oppose. That's approved. Our next item is 11.3, rezoning property at the north site of tele road. So this is in the vice mayor's district. It is a rezoning to light industrial.

>> will be a motion to approve. Councilmember lickardel on get the motion. I have no cards for the possible speak on that. On that motion all in favor? Opposed, none opposed that's approved. Item 11.5. Chapters 20 of the zoning code, et cetera, to offer flexibility in development of commercial and industrial uses and in certain zones. I have no request for the public. We have a motion -- do I have a second in I got a second. The motion is to prove approve staff recommendations. All in favor? Opposed. None opposed. That's approve. Our last item is open forum. Mr. Wall. James rowen, K. Dennis Makinski. Whittington, Henry sevean. Schultz. Jim undland if you're here I don't see any of those folks here so it looks like Mr. Wall.

>> First off I'd like to give special thanks to councilmember Liccardo. It should be noted, sir, your steadfast loyalty and drive to notify people of property changes cannot go unnoticed and unthanked. Your position on these matters isn't just here. It's throughout all different committees. Thanking you sir, very much so. Now let's talk about the convention center, Mr. Mayor. The community and economic development meeting on Monday, there were some interesting omissions to budgetary issues. Like heating, ventilation, air-conditioning wasn't budgeted for. Estimate of \$3.9 million. \$2 million to do something with the plaza itself, if you do TABLES out there, glasses and water won't be on an angle and although they have \$600,000 on hand. The need to have a brand new kitchen should have been preplanned for this. You don't build a new add-on convention center with an old kitchen that you have to drive trucks around it to deliver food. The estimate there was anywhere from \$7 million to \$10 million but even then that was just an estimate like the \$650 million estimate the pensions. They really don't know. And then \$2 million for furnishings, equipment. That's \$2. And that brings that up to roughly, and I'm saying roughly like the \$650 million estimate at \$18 million. Get this, Mr. Mayor, started a project that encroached on the Marriott's property without taking care of it. And on top of that, it's highly maintenance intensive and who is the only person there who said where are solar panels on the roof, Mr. Mayor? The big boy in the bibs.

>> that concludes the open forum. That concludes our meeting. We're adjourned.