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City of San José city council meeting.

>> Mayor Reed: (gavel strike) Good afternoon. Want to call the San José city council meeting to order for May 4th, 2010. We'll start with an invocation. Councilmember Campos will introduce the invocators.

>> Councilmember Campos: Thank you, mayor. I'm excited to introduce the Adelante students. And as they come down to perform, they will be performing two songs for us. One of them is Las Mojerres Que Se Quintan and Ungar y porra is the second song. We know that tomorrow is Cinco de Mayo, so we will enjoy their entertainment today, and remember it as we're celebrating Cinco de Mayo tomorrow, May 5th. With that, mayor, I present to you the Adelante students who will now perform for you. [♪music♪] [♪music♪]

>> Mayor Reed: Thank you very much. Our next item will be the pledge of allegiance. Please all stand for the pledge. [pledge of allegiance]

>> Mayor Reed: Next item are orders of the day. Are there any changes to the printed agenda order? I have none requested. Motion is to approve orders of the day. All in favor, opposed none opposed, those are approved. Closed session report. City Attorney.

>> City Attorney Doyle: Yes Mr. Mayor. The council met in closed session pursuant to notice this morning. No report.

>> Mayor Reed: I'll now take up the ceremonial items, I'd like to first invite councilmembers Kalra, Chu and Nguyen, along with representatives of the Chinese historical cultural project to join me at the podium. Today we're recognizing the month of May as Asian Pacific American heritage month in the City of San José. Councilmember Chu will have some details.

>> Councilmember Chu: Thank you, mayor. Well, I'd like to thank mayor and my colleagues to joining me to proclaim May as Asian American heritage month. In June of 1977, Representative Norm Mineta of California introduced a house resolution to proclaim the first ten days of pay as Asian American heritage week. In 1990, Congress voted to expand the celebration to an entire month. Since then, many organizations in the Bay Area, and the county, and the country, integrate and commemorate the collective accomplishment of Asian Americans community through a wide array of events. Here today, to accept the proclamation on behalf of Asian Pacific Americans in San José are the board members from the Chinese historical cultural project, CHCP is comprised of volunteers and was founded in 1987, as a nonprofit organization, to promote and preserve Chinese American and Chinese history and culture through community outreach activity. Here today, to accept the proclamation on behalf of CHCP, is Anita Kwok, the CEO of CHCP. [applause]

>> I'd like to say a few words to honorable mayor Reed, honorable councilmembers and especially councilperson Kansen Chu. On behalf of CHCP, the Chinese historical and cultural project of Santa Clara County, we want to thank you for honoring us. After our -- we have been in existence for 23 years and serve the San José community. We would like to invite everyone if you haven't been to history park San José to come and visit our Chinese American historical museum in Kelly park. And we also provide services for teachers and cultural organizations that promote Asian diversity with our help grants and we also have a traveling exhibit that is free for exhibition. Please come out to the history park. Once again, thank you very much. [applause]

>> Mayor Reed: Next I'd like to invite Councilmember Herrera and José Andres Rocha to the podium. I want to recognize José Andres Rocha for his dedication and sense of of service to the San José community. Councilmember Herrera has some of the details.

>> Councilmember Herrera: Thank you, mayor. I'm really proud and excited today to be able to acknowledge the efforts by José Andres Rocha together with Mayor Reed. I do want to at this time introduce the mother of José Andres Rocha, Letitia Rocha, who happens to be in the audience there, proud mom. José is 12 years old, and a Quimby Middle School seventh grader. And he's one of two students from San José accepted into the People-to-People International Student ambassador program. This is an educational travel program founded by President Dwight D. Eisenhower. Eisenhower believed that ordinary citizens of different nations can make a difference where governments cannot. Acceptance into the student ambassador program is a great honor. In a globalized world the chance to gain perspective firsthand is a gift that would last a lifetime. José will be exploring France, Italy and Greece for 20 days in the summer of 2010 participating in a European odyssey itinerary as a member of the central valley Stockton Modesto delegation. While earning academic credit José Andres Rocha will get to know the people, the culture, and history of the places he will visit, and he's going to have the opportunity to stay with host families, take part in meetings with government officials, and participate in educational activities with other students his own age. José's volunteered in other activities throughout

San José, including but not limited to relay for life, step out to fight diabetes, the organizations for Latino affairs, and he currently serves as the water ambassador for the Santa Clara Valley Water District to spread the message of the value of water to France, Italy and Greece. His interest includes soccer, math, science, social studies and he's interested in NASA. I met José at the La Raza round table meeting and had a chance to hear this man speak and was quite impressed. There is no doubt in my mind that José's going to succeed in the aspiration that he seeks to fulfill, which is to become an astronaut. So I want to thank you, José, for inspiring all of us and for pursuing great things that will help all of us in this community one day. I'm proud of your dedication and commitment to public service. Congratulations on this wonderful accomplishment. I wish you a great trip, and I would now ask the mayor to present the commendation to José and have him say a couple of words. [applause]

>> Well, I want to start off by thanking mayor Chuck Reed and councilmember Rose Herrera and her office for giving me this commendation. It is an honor for me to be part of people to people international student ambassador on the European itinerary. I'll be traveling to France, Italy, and Greece for 20 days. My departure date is June 20th and I'll be returning by July 9th. While I'm going on a part of a group of 25 students from California and 15 students from Virginia with about four leaders. And I may soon call my leaders mommy or daddy because my mom and my dad aren't really going with me. Some of the things I may do in Europe is stay at a guest house in Italy, and I'm going to visit the famous Eiffel Tower in France, and I'm going to learn the rich history of Greece -- the rich history of Greece. Like in Athens and in Naples. It's been hard work for my mom and me to fund raise the money needed for me know to go to Europe on this once-in-a-lifetime educational trip. I want to thank the community for the support that they have given me. I want to thank them because today they are giving me confidence to say I will be traveling to Europe this summer, Merci. [applause]

>> Mayor Reed: Good luck. We're now going to recognize some of our city clerk's folks. I don't know if you have got them rounded up, but I want to invite Lee and her staff down as we recognize the week of May 2 through 8 as municipal clerks week in the City of San José. City Clerk's office is responsible for managing the entire legislative process for the City of San José. Thanks to the hard work of our City Clerk and all the members of her office that our council meetings are able to flow smoothly and effectively. They're also responsible for supervising the elections in the City of San José in a city of a million people that is a great feat. Much of the work done by the City Clerk and the City Clerk's office is done behind the scenes. They make it look easy for us because they take care of us. We appreciate that, and once a year I think we get to get them all out. We probably didn't close the office. I'm sure there's probably still somebody working there. We get them out here to see the staff and thank them for this municipal clerk's week. On behalf of the entire city council and the entire city that benefits from your work we want to thank you and tell you that we're very proud of the work you do. You have a grade standpoint and I have a commendation and then I'll let you speak.

>> Lee Price: Thank you, Mr. Mayor, thank you members of the council and a big special thank you to Mary who is yes at our office so we didn't have to close in order for us to be able to accept this. So on behalf of our office I thank you for recognizing us. I have a wonderful staff and without them we couldn't get the work done so I appreciate each and every one of them and thank you for recognizing us today. [applause]

>> Mayor Reed: Thank you. Now I'd like to invite Councilmember Constant and representatives of San José senior citizens commission to join me at the podium as we declare the month of May 2010 as older Americans month in the City of San José. Just so anybody is not missed if you're above the median age I think you're older. So not as older as some of us but still older Americans.

>> Councilmember Constant: If you're confused whether you are in that group, you probably are. But we have quite a few members of our senior commission here today. I want to thank all of you for showing up. As we all know there's increasing number of adults are reaching retirement age and remaining strong and active for many years. The older population, which officially is persons 65 years or older, for the record I'm nowhere near that yet, numbered 38.9 million in 2008, which is the most recent year that we have data for, representing a full 12.8% of the U.S. population. So think about that, that is one in eight people that is in the category of seniors. In the last 110 years, the percentage of Americans 65 and older has tripled, which is incredible, and the number has increased more than 12 times from 3.1 million to 38.9 million. So that translates into we're living longer, we've got great life still ahead of us. The City of San José is home to 120,000 residents aged 60 years or older and we recognize the demand for preventative practices and activities that will improve their health and of course their quality of life. The older adults in San José are among our most treasured resources, United by their historical experience and

strengthened by diversity. They bring wisdom and insight to our community. The older adults deserve recognition for the contributions they've made and quite frankly continue to make in our society. Our culture, our economy, of course and our character of San José and Silicon Valley. I've had the fortunate experience of being the chair or the liaison to the senior commission and working with the chair, Frances who is behind me here for a number of years, and it's been a wonderful experience for me. I know the seniors have been very supportive of our senior walk and our other events that we have and I think that it's now time for the entire city council to, once again, say thank you to the senior committee -- senior community and let them know that we appreciate all the work that they do in our community, all the work they've done over the years and we expect you to be around a long time to keep working hard because we need you now more than ever. Mayor, I think you have a proclamation to present to Frances. [applause]

>> I'd like to thank the mayor, Mayor Reed and the city council, and especially our guiding star, Mr. Pete Constant for helping us with the anchors that we have so gratefully accepted from the council, to work for the senior community. It is really a privilege and a great honor to be able to help with our city officials to do the things that are needed for our seniors. And at this time, I'd like to introduce our outgoing president, Connie Langford who would like to say a few words. Connie.

>> Thank you. My name is Connie Langford. I'd also like to thank Mayor Reed and the esteemed members of the city council, and especially Pete Constant who has been the liaison to the senior commission, for many years. I'm the past chair, in June, I will term out from the senior citizens commission, after having served six and a half years. Two years as chair of that body. Currently, I chair the council on age advisory council, recently elected as an at-large member to the aging services collaborative, executive committee, and in my spare time, I chair the retired senior volunteer program advisory council. I wanted to establish my credential with you, because as a senior advocate, I'm really here with a very heavy heart, because of the dire impact of the budget deficit on senior services in the City of San José. It's just overwhelming that the budget is considering shutting the office on aging, discontinuing the senior companion program, discontinuing the older adult resource program, cutting the three staff to the retired senior volunteer program. The city has supported the retired senior volunteer program for 38 years. There are 1100 seniors who volunteer in the retired senior volunteer program. They serve at 61 sites in the City of San José. This past -- okay, I'm sorry. I've been told to shut up. So I just want to say that the senior commission looked at the budget deficit, and it was so dire, we had to identify our top priority, which was senior nutrition. And I've kind of heard it through the grapevine that there maybe funding for senior nutrition for another year. But I'm going to stand here, like Oliver Twist and say, I want more. Because there has to be a way to fund senior nutrition in the City of San José.

>> Mayor Reed: Okay, we got the message. Thank you. You need a photo? [applause]

>> Mayor Reed: Thank you. That includes the ceremonial items. Our next item is the consent calendar. Are there items that councilmembers would like to pull for discussion? Councilmember Campos.

>> Councilmember Campos: 2.11.

>> Mayor Reed: 2.11. Any others? We have a motion to approve the balance of the consent calendar. All in favor? Opposed? None opposed, that's approved. Item 2.11 is west valley senior walk. Councilmember Campos.

>> Councilmember Campos: So Lee, I wanted to ask you about this particular. This was the event that took place on April 9th, is that correct?

>> Lee Price: Councilmember Campos, give me one moment, let me see if I can have assistant City Clerk Dennis Hawkins respond to the questions on this particular item.

>> Councilmember Campos: All right, thank you.

>> I'm sorry, Councilmember Campos. Would you repeat your question?

>> Councilmember Campos: I'm looking at item 2.11 and it's the West valley senior walk, the subject. And I'm asking, was this the event that was -- that took place on April 9th?

>> I believe it -- I don't recall the date, but I know the event has been held, and we have brought forward memorandum for retroactive approval for some events in the past.

>> Councilmember Campos: Yeah, that's not my question. I just want to make sure that I have the right date for this event. So my question is, a council policy. So it's asking to approve the senior walk, sponsored by district 1 and 6, as a city council-sponsored event. And I asked the City Attorney this question, since we -- he didn't have the answer. I'm hoping that maybe you may know the council policy. If an event is sponsored by the City of San José, can you have a councilmember have a political

table at the same event that is sponsored by a city, by the City of San José? Just want to make sure that we're not -- I'm not voting on anything that's illegal or inappropriate.

>> I don't recall any restrictions in the resolution that set up this process. I'd be happy to do that research and get back to you but I don't recall any restrictions.

>> Councilmember Campos: So then I would -- so it's the will of the council. I'd like to defer this so that staff get back to us on the council policy before we vote on this just so we're consistent.

>> City Attorney Doyle: Councilmember if I can just chime in. The -- I don't have -- I was just asked the question and I don't have enough information on the event as to whether city funds were used or I understand it took place at what, the Westgate mall. But or at least that's what the memo indicates but I don't have enough information. So we can get back to you on the specific issue you asked.

>> Councilmember Campos: So I would ask if my colleagues don't mind to defer it one week just so we can get this information so that we're not going against council policy.

>> Mayor Reed: Councilmember Constant.

>> Councilmember Constant: I'm sure I can provide some clarification here. This event was hosted in part by Westfield valley fair mall who -- there were no city dollars in this event. In fact in prior years we didn't do these authorizations, but I was informed that since there were -- was sponsored by two council offices in part, that it had to go here. Westfield has provided in the past, and continued including this time to provide tables for elected officials and campaigns that was made available to any persons equally, and it was no charge for any vendors to be there. I don't really think -- in fact I looked at the council policy. There is nothing that specifically says that. This is nothing new. It's something that's happened many times and I'd like to make a motion for approval. I don't think there's any reason to defer it.

>> Second.

>> Mayor Reed: There is a motion to approve. Councilmember Kalra.

>> Councilmember Kalra: Just a question Rick from that extra information is there a change of opinion or do you -- add some more clarity for what Councilmember Campos is asking.

>> City Attorney Doyle: I think we'd admonish the council and the city employees generally, that you can't engage in political activity if there are city resources or city moneys involved. If there are no city dollars or city resources, it would not appear to be a problem. And so you know, the question is, what's meant by city sponsored and I didn't have that information whether city moneys or city resources were involved at all in this activity.

>> Mayor Reed: Councilmember Campos.

>> Councilmember Campos: So then I would -- I guess the issue that I'm having is that you're asking us to approve the language here that says city council sponsored event. So if it's not a city council sponsored event then I think we can move forward. It's the language that implies that it's a City of San José sponsored event.

>> Mayor Reed: The reason we have the policy is to allow us as councilmembers to accept donations to pay for events, special events policy. So it's our sponsorship, our connection to it that requires the approval even though there may be no money from the city going into it. So there was another one on the agenda, the community resource fair which I had on the agenda, 2.12 in which there is city money going to that event but we put it on here in order to be able to accept donations to help defray the cost of the event. They could all be different and we have about a dozen of these city-sponsored events.

>> Councilmember Campos: So I won't be supporting the motion and I won't be supporting it because it doesn't appear to be clear that whether if it's a city-sponsored event and that's what the language says here, whether you can have political campaigning at the same event under the title of city council sponsored event. Mayor, it's not whether -- I could approve to accept this, for the purpose of allowing money to be donated for this event. But when it is titled city council sponsored event, with a political tie or a free table, I'm having concerns because there's not clear cut direction in the City Attorney and the City Clerk on that. So that's all my comments. I won't be supporting the motion, and my colleagues can move forward on this.

>> Mayor Reed: Councilmember Kalra.

>> Councilmember Kalra: Thank you, mayor. And there's as much a question or to Councilmember Constant and not so much Oliverio, I guess, it's being addressed to Councilmember Constant, I guess to both of you because it seems like we need to clear some of these issues up. It doesn't seem if no money was used but what does resources mean? I think it may be a benefit to all of us just to make sure it clarifies. I think it was certainly -- it's certainly an event just like many others, oftentimes all of us do

events in the community, event city sponsored but not using city funds. What does that mean? Doesn't sound like we have an exact answer to that.

>> Councilmember Constant: If I can jump in for a minute because clearly the questions are about me and my political campaign, just to put it in perspective, it is no different from the event you had in had your districts and you had your festival in the park and there were candidates that had individual booths there.

>> Councilmember Kalra: I didn't have one.

>> Councilmember Constant: For the people out there watching, it was my event, it's an event I've had for a number of years. I did absolutely no campaigning. In fact I didn't even mention my campaign but representatives from my campaign had a table there just like representatives from other council races, the District Attorney, and many others and they had the opportunity to participate or not. And it was -- if the questions are on whether free access and equal time was available, that was equal to everybody. If it was a question on whether my staff, city staff participated and campaigning activities, the answer is clearly no. If the question was whether I personally campaigned, the answer was no. I was the MC of the event, I spoke at that time event and I never even once mentioned my personal campaign. So there is not a lot of ambiguity here. It was -- there is a separation out, someone believes that there was campaigning done by one of my staff, or specific improprieties then I think the appropriate way is to take that to the FPPC. But this is an event, much like many other events that we've had, whether they be in parks or other places where people have had the opportunity. So in my opinion, much to do about nothing but if there is something this is not the appropriate venue to take it. We have an elections commission, we have the FPPC and I'd be more than welcome to have the person that's concerned make the complaint there.

>> Councilmember Kalra: Mayor if I could -- look, the part I was there at the event at least I didn't hear any campaigning of councilmember -- I'll certainly back Councilmember Constant about that. There was no effort to talk about their campaigning, strictly a senior event. But I think it raises a legitimate question. So again not towards impropriety, the only distinction I would make you raised an issue of the event that most districts have some event or the other. Is whether I think the underlying question which I don't know if we have an answer to is whether the councilmember or the city, whatever, representative of the city that sponsors it can have it there, can have a table as opposed to having it open to everybody. I think is a distinction between people who may be running and the D.A.'s office table that you referred to. There maybe a distinction there from the individual that's actually sponsoring their event have a table. So it's not that anything was done that was wrong. It is a question that we need clarity. I mean I think that it's a legitimate question that's asked.

>> Mayor Reed: I think the City Attorney --

>> City Attorney Doyle: Councilmember Kalra just at the outset, if it's open to one it's open to all. And the purpose why government funds or government resources can't be used for political activities is the government doesn't take sides so whether it's a incumbent or competitor or a D.A.'s race or judge's race or whatever you open it to one you open it to all. I don't have any of the facts other than Councilmember Constant's just represented. This has already happened this event you can approve the event because it does ask for retro active approval. We could certainly get back to the council with guidelines as to what if any issues there might be and any further guidelines. Because this is probably not going to be the last time that you know political tables are going to be at some event.

>> Councilmember Kalra: Yeah and I think from my perspective I think just going forward maybe just getting some clarity, whether they may not exist and I think that I appreciate that clarification, that makes sense but if it is, if it's open to all, it should be -- you know, anyone, regardless who it is, should be able to have a table there, and his staff wasn't working at the table. So it's not like city resources in that sense are being used at all. So with that clarity I'm fine with it. I just want to make sure that all of us understand what the rules are very clearly and, you know, moving forward I think it might be more helpful than worrying about something that may have happened which there was no -- without having any indication that, you know, city resources were used on it. So if it weren't city resources used, I think that going forward a question would be like, is whether we even want to entertain that idea, but entertain the idea of adding more detail to the policy. But given the fact given your comments Rick I'll feel comfortable with supporting this this time, if there are any discussions in the future in regards to creating any detailed policy I'll be open for.

>> Mayor Reed: I think it's time for Rick to publish his periodic memo on elections, you do it this time every election cycle so we have the written delineation for us and all our staff about campaign activity. But I would say on this one it is a little bit different than some, because it was on private property. I think the

rules would be different if it was held in a community center or someplace like that. And I think Rick memo covers that because we've had those questions asked in the past. Councilmember Chu.

>> Councilmember Chu: Thank you, mayor. I just wanted to ask Rick to expedite the memo because I have a Berryessa art and wine festival coming up this weekend. So please, give some advice before the weekend.

>> City Attorney Doyle: I'll get a memo out via e-mail today.

>> Councilmember Constant: I'm pretty sure we already got that memo. I remember reading it. It just came out three weeks ago. I suggest everybody look in their in-box in e-mail.

>> City Attorney Doyle: It comes out every election cycle so we'll resurrect it.

>> Mayor Reed: Councilmember Campos.

>> Councilmember Campos: Again, council, too much information. I had asked the question whether you could have that because of council policy and whether we could use city council, City of San José sponsor at an event that had political tables, that was my question. I want clarification on those items. Not all the other information that you've disclosed. Was very specific on what I asked. So I would hope that we can get that, and get it before this weekend, as Councilmember Chu requested.

>> Mayor Reed: Councilmember Oliverio.

>> Councilmember Oliverio: Thank you, mayor Reed, I just wanted to thank Councilmember Constant for putting on the senior walk. I would be happy to be invited to participate this year very proud of the event and would also like to say I will be visiting Councilmember Chu on his art and wine festival.

>> Mayor Reed: Art and wine festival in Berryessa, what day? Sunday -- Saturday. Okay, it's on Saturday, this weekend, Berryessa, it's a big art and wine festival, you're all invited. Some of you can have tables, but got to talk to the organizers about that. We have a motion on the floor to approve this item. All in favor, opposed, one opposed Councilmember Campos opposed. Right that's approved moving on. Item 3.1 report of the City Manager.

>> City Manager Figone: Thank you, Mr. Mayor members of the council. Just a quick update on budget and few reflections. Yesterday I released the proposed operating budget and I just wanted to highlight a few things that I think are important to know. First of all as the council is aware we're confronting a historic budget deficit. When you factor in the development fee program to the General Fund part of the deficit, it's approximately \$118.5 million. However, there are shortfalls in many special funds, as you know. More than \$55 million of the General Fund shortfall has been closed by a variety of funding sources, including fund transfers, the HNVF fund, fees and fines and so forth. But the options for eliminating the remaining 60 plus million dollar shortfall are limited. Absent concessions at this stage in the process the only way to meet my chartered mandated obligation to presently a balanced budget was to propose \$60 million in General Fund service reductions plus reductions in many special funds. These reductions will impact services and employees in every department. The City Manager's office and our department heads are doing all that we can to ensure that our employees have accurate information about the current state of the City's finances, the budget proposals that have been submitted to you and their impact on the organization in order to assist individuals and work groups to grapple with our current reality. In addition, many resources are available to help individuals to work through these difficult times. This is a stressful and difficult period for our employees, as is evidenced in today's rally for example. At the same time, it is my hope that our workforce and those who they look to for leadership will demonstrate civility and respect for the city council's deliberation and decision making process which will unfold over the next several weeks. Also, as public employees, it will be important that we continue to go about doing our daily work in service to the public, with professionalism and integrity, and that we continue to work together to seek solutions to this daunting fiscal crisis over the next several weeks, and very likely, over the next several years. And that concludes my report.

>> Mayor Reed: Thank you. Our next item is 3.3, audit of the airport's paving management agreement. Sharon Erickson is here. It's not paving, parking management agreement. I guess I should put my glasses on when I read my notes.

>> Sharon Erickson: Absolutely. This is one of a series of audits of major contracts to ensure the city is getting the revenue to which we're entitled and the services for which we are paying. We found that the airport has controls in place to ensure that it's receiving all the revenues generated as its public parking facilities. We did make a series of recommendations to improve controls, achieve potential cost savings, and enhance customer service in the new management agreement this fall. The airport department agrees and is moving forward to implement these recommendations. With that, we ask your approval.

>> Mayor Reed: We have a motion to approve. All in favor, opposed, none opposed that's approved. Item 4.1, final public hearing on consolidated plan 2010-2015 and the annual action plan 2010-2011.

>> City Manager Figone: I think we're here to respond to questions, Mr. Mayor.

>> Mayor Reed: Okay, I had just a couple of comments. This plan is especially interesting considering that today the superior court, hearing the case brought by redevelopment agencies around the state can decide that the state can take \$62 million out of our redevelopment agency. A great deal of that money will come out of our housing -- affordable housing programs. That's a sad thing for the state to do to affordable housing but nevertheless, that's what they're trying to do. And it's unfortunate that last year it was unconstitutional, this year it's constitutional. Sometimes that's the way it goes in the court house. But I do note that over the last 20 years we've invested over \$500 million in affordable housing and we've gotten 18,000 affordable housing units built in the City of San José vastly more than other places in the state and usually we're leading the state.

This year it's going to be a little slow because the economy is so bad almost nothing is moving but we still have an affordable housing program. The state has just taken some of that money. It's going to make it more difficult. And I want to thank our staff for moving this con plan forward, getting it done, and I like the new collaboration with the county. It would be great if all the other cities in the county would get with it, as well, and make a commitment to affordable housing like we've done because we're not the only city where there's a great deal of need for affordable housing. With that, I just want to underline the fact that we're a city, the state makes the rules. Sometimes they take our money and we'll continue to litigate that. But nevertheless, on May 10 we got to write a check for \$62 million to the State of California unless the court issues a stay pending appeal. Any other questions or comments for this -- on this? Anybody here wishing to speak on this? This is the final public hearing before we approve the plan. I have no request from the public to speak at this time. So we'll close the public hearing. Is there a motion on the plan? A motion to approve, all in favor, opposed, none opposed, that's approved. Item 4.2 our Stevens Creek boulevard digital sign pilot program. This is some of the first work that's come out of all the signage study sessions that we've done.

>> Laurel Prevetti: Good afternoon. Laurel Prevetti, assistant director of Planning, Building, and Code Enforcement. With me this afternoon is Carol Hamilton. As we mentioned we wanted to bring want to bring back some of our analysis as we've been following the direction from the council from our earlier discussions about the sign code update. We've followed the council's direction on this one and through our analysis we have a revised recommendation for your consideration. And Carol Hamilton will walk through that analysis now. Thank you.

>> Thank you. The goal of the Stevens Creek digital sign pilot program was to explore provisions to allow onsite signs for Stevens Creek boulevard and other commercial areas in the city that are similar. The requirement of this type program are that we have a rationale for those signs that can be applied citywide. And so we are attempting to develop such a program and to evaluate that rationale and the criteria that are associated with the pilot program so that the council can use that information to make a decision on the citywide issue. The last time we were before the council on this issue, the council directed that we make a few changes to the recommended parameters and go back and look at some of the issues associated with this pilot program. The first recommendation was that we increase the size of the digital sign component from 50 to 60% so that it could be a little bit larger portion of the free standing sign, that we explore ways, other ways, to identify the parcels that would qualify for digital signs, so that we could capture some of the parcels that are fairly large that did not have wide frontages. And that we expand the pilot program area to include parcels that front on Kiely Boulevard. And finally the council directly that we continue to explore onsite digital signs for capitol expressway, Blossom Hill road, and the capitol corridor near Eastridge. The first of the revisions that the council requested was fairly straightforward. We've made that change. And based on a maximum size of 150 square feet for our free standing sign on Stevens Creek boulevard, the portion of the sign that could be digital under the pilot program would be 90 square feet. The second thing that the council asked us to look at was a different way of determining which parcels qualify. So that we could try to capture more of the parcels that were relatively large, even though they didn't have a wide frontage. We did some analysis, determined that if we used both the size of the frontage and the parcel size, in combination we could get a better result. So we looked at the options, and the best fit seemed to be a frontage of 300 feet, which is a little bit down from what we previously recommended of 350, or a size of five acres. Both of those criteria identify a fairly large parcel which was the objective. And that increases the number of qualifying parcels from 4 to

10. And this slide shows the parcels that would qualify for a sign under the revised criteria that staff is now recommending. Staff has also explored additional criteria that were suggested at the last council meeting regarding parcels with large building setbacks, and digital signs on Kiely Boulevard and the other large commercial street in the pilot program area. Now, the rationale for allowing a digital sign on a site with a large setback would be that if you have a large building setback, the attached signs wouldn't be as visible and you might need to have the more intense digital signage. So we looked at that issue. We identified a 120 foot setback is the size of what we considered to be a reasonable large setback. We determined that most of the parcels that had a setback of that size had already been captured by our large parcel criteria. We gained only two additional sites, the cost plus site and the superbuffet site, so we decided that this criteria did not offer a lot of benefit, and we're not recommending that the council adopt it. This slide shows an aerial photograph of the oak tree Mazda site, a site that does not currently qualify. It only has a 45 foot setback and we found this to be fairly typical of smaller sites that as the parcel gets smaller the setback tends to get smaller as well. We also looked at the issue of allowing a sign for the parcels that front onto Kiely boulevard and Saratoga avenue. This is the area that we expanded to include. Stevens Creek boulevard is a very wide street, 120 feet across. It has a fairly large, long strip of fairly large commercial parcels. On the other hand, Kiely is a relatively narrow commercial street with a few commercial parcels along it, mostly smaller parcels. Looking at the citywide implications of changing the criteria to include the parcels on Kiely Boulevard, we determined that there would be a great deal more areas that would need to be incorporated into a citywide program that used the same rationale as the pilot program. As you can see, there are many streets that are -- most of the commercial streets in San José are larger than 90 square feet, so that there would be very many streets under that criteria that would qualify. And this slide summarizes that, if we had a 95 -- a 90-foot street, we would capture within the pilot program, Stevens Creek Boulevard, Kiely Boulevard, Saratoga and San Tomas, and citywide it would be more than 25 streets that we would need to include in a program, under the criteria that staff is now recommending, the 120 foot wide street, Stevens Creek Boulevard only, we would pick up three streets as we've currently identified. And that would be Stevens Creek Boulevard, Blossom Hill road and capital expressway. The next slide shows staff's recommendation for the actual sign pilot program boundary. We're recommending because of the Kiely boulevard issue that those parcels be removed from the sign boundary, and that the council direct us to revise the program -- the actual boundary to exclude those parcels, and that the criteria not be applied to any of the streets except Stevens Creek boulevard.

>> Laurel Prevetti: Thank you. We're available for any questions.

>> Mayor Reed: Councilmember Constant.

>> Councilmember Constant: Thank you mayor. Thanks for all the work on this. I think it's going to be a real key for businesses on Stevens Creek to drive our local economy. Just in the past couple of weeks I've had several meetings with auto dealerships, just ready to start putting pen to paper, and getting their designs going so they can take advantage of this. I think there's no better time for us to give them the tools to be able to invest in their business as we slowly make our way out of this recessionary period. I had hoped to have Kiely boulevard in it and understand the reasons why we cannot and thanks for trying every possible combination I can come up with and with that I'd like to make a motion to approve.

>> Mayor Reed: We have a motion to approve the staff's recommendation. Councilmember Pyle.

>> Councilmember Pyle: I just wanted to continue my economic push. We don't pay for any of this, do we? In other words, if anything, we could afford to be a little more on the liberal side, I would think, in that the companies pay for those signs, do they not? What's our cost?

>> Laurel Prevetti: That's correct, Councilmember Pyle. The companies pay for the signs. However, as we've been talking about our sign code, as we look at how liberal or how strict we should be as a city, we need to be very much aware of the citywide implications. It was for that reason we've modified our recommendations based on this analysis. So while we do not build or install the signs we do need to make sure we have a level playing field for all of our businesses so for this reason we have made the modifications to our recommendation.

>> Councilmember Pyle: Okay. Well, I just -- I would just hope, especially in the -- such trying times as these, that whenever we can, we should err on the side of helping businesses as much as we possibly can. That's probably the most sane way we have to go in reference to climbing out of this incredible pit we're in. So I just wanted to say that, just wanted to go on record, let those companies out there know I'm really on their side. Thank you.

>> Mayor Reed: Vice Mayor Chirco.

>> Councilmember Chirco: I wanted to thank staff for their analysis. One of my concerns is that this be a true pilot, and we can get some data that really lets us know the impact. Not only on the businesses but also on the surrounding community. And I think by looking at all the configurations that you did, you've given a thorough analysis of what will be a true pilot site, and how it would affect other parts of our city and maybe some unintended consequences until we get the evaluation data back. So I will be supporting the motion, and thank you.

>> Mayor Reed: Councilmember Herrera.

>> Councilmember Herrera: Thank you, mayor. I'll be supporting the motion and again I also thank staff for this work. In terms of the analysis, where you're looking at other possible areas that would be similar, and you talk about capitol expressway. I know I've had a few conversations where I've tucked in place holders for capitol expressway where EastRidge is. I know you're thinking of a different part of Capitol expressway. Can you maybe comment on I just want to make sure we're looking at if there's a possible other pilot I'd like to take Eastridge and the districts around there district 8. .

>> Laurel Prevetti: It would be for Stevens Creek and depending what we learn with the 120 feet that would create the eligibility for capitol expressway in the future, in addition we are conning to explore some other options for that area.

>> Councilmember Herrera: Is there some reason why they aren't listed in other areas, that could be similar, why isn't it? Or am I misreading this? Capitol expressway and Blossom Hill, are you meaning all of capitol expressway or are you meaning capitol expressway relative to Blossom Hill?

>> Currently, the criteria that are being addressed through the Stevens Creek Boulevard pilot program, the large commercial street, 120 feet wide, and with a large collection of commercial parcels, large commercial parcels with similar retail uses on them, the capitol corridor near Eastridge does meet some of those criteria. It probably does not meet the criteria of having a large collection of parcels. That doesn't mean that the council couldn't, when we come back with the data on the pilot program, couldn't decide to expand the criteria, change the criteria to fit so that capitol corridor would be included. But it's not included in this test, in this test criteria. And that's why it wasn't listed as one of the ones that would need -- that is like Stevens Creek boulevard.

>> Councilmember Herrera: Thank you. And I guess I just want to make sure that as we move forward that capitol expressway Eastridge and the proposed Arcadia development across the street may cause this to be more fitting in terms of the criteria you're looking at, and we certainly want to give that new development every opportunity to market itself and have presence out there, as we are all concerned about bringing increased revenue. We also have an auto dealership out there too that has been even in spite of these horrible economic times investing in increasing and that's Beshoff motors, adding new aspects to their business. I just want to make sure we're meeting the needs out there and recognizing that things are changing out there, too. Thank you.

>> Mayor Reed: That concludes council questions. We have a motion to approve, I think, did I get a motion? Do we have a motion? By Councilmember Constant. All in favor, opposed, none opposed, that's approved. Our next item is 8.1, status report on the implementation of the public intoxication task force recommendations.

>> City Manager Figone: Mr. Mayor, we're here to answer questions. I think the chief will answer any of the Public Safety questions.

>> Mayor Reed: Okay, Councilmember Nguyen chairs the Public Safety committee, I know you've already had a hearing on this and you probably have some comments.

>> Councilmember Nguyen: Thank you, Mayor Reed. First I want to thank the City Manager, Deb Figone and also Rob Davis for your wonderful work on this issue. As we're all aware when this issue started a little bit over a year ago the initial discussions were pretty tense, with individuals representing various organizations actually walked out from some of these meetings. And over the course of the last year and a half, we have actually made tremendous improvements in terms of our dialogues and communications with members of the public as well as different organizations throughout our city. And so we actually -- we've read -- I actually read an article in the Mercury News. It's definitely a huge surprise for me but with the work that the task force has done there's a lower number of arrests since the recommendations were put to work. And we actually received praises from different owners from the clubs downtown. So it just really shows that the recommendations that were put forward really showed that the city has paid tremendous attention to what -- to some of the concerns that were raised by the community members. And so the Public Safety, finance and strategic support committee also held two special community meetings, and we had over 100 community members actually attended these

community meetings. And again contrary to the public perception, most of the people that actually came to these meetings actually praised the police department, for the wonderful work they've been doing the last 18 months or so. So I wanted to take this opportunity to really thank the City Manager for stepping up, to chief Rob Davis for really listening to the community and all the wonderful work that has been put forward for this issue, and especially a big thank you to Deanna Santana for her efforts in this issue as well. So with that I move for approval.

>> Councilmember Pyle: Second.

>> Mayor Reed: We have a motion to approve. Councilmember Constant.

>> Councilmember Constant: Thank you. I wanted to direct everyone's attention to page 2 of the memo, second bullet. Where it has the number of offenses and the people who were arrested in each of the multiples of offenses, 1 through 8. And I know I expressed reservations in a policy that was a six strikes and you're out policy, and giving the wrong message, that you can come every other month and get silly drunk in Downtown San José and cause problems and it's okay. And I do support the fact that if somebody you know is young and makes a mistake, you know, a judgment call, they -- I'm not opposed to giving them a second chance. And I think that the statistics here show that is surely the case for the people who get arrested for being drunk in public the first time. In fact, the recidivism rate is only 10% and if you go down to the third offense, it goes down to, what is that, 2% or something like that. I still have concerns had a we go so far as to the sixth and you're out. So I would just like to ask for a potential friendly amendment that we ask staff to gather data for another six months and that at the one-year anniversary of this policy we bring it back for an analysis and hopefully from my perspective changing that six strikes and you're out to something less. And I think that the early indications show that that's warranted but I understand in having talked to several people, and the discussion that we've had at the Public Safety committee, that perhaps another six months of data would warrant that analysis.

>> Councilmember Nguyen: That would be fine with me. But before I accept that I was wondering if chief Davis can speak to that and just talk about what might be the impacts that that would bring forth if we move forward with that.

>> Rob Davis: Yes, you have the graph in front of you or at least the bar chart there so you'll see exactly what the numbers would be. I think to Councilmember Constant's comment, what we would be doing during the next six months also is working with our partners. Because this isn't just a San José PD issue. We would have to be reaching out to the DA's office who actually filed these cases to see what type of impact it would have both from timewise in the court as well as administrative impact, and just make sure we're doing that collaborative outreach to make sure whatever we're recommending in the future would be acceptable to everybody involved.

>> Councilmember Nguyen: Okay, that's accepted.

>> Mayor Reed: We have a motion that's been amended by friendly amendment. I have a question for the chief as long as you're there.

>> Rob Davis: Sure.

>> Mayor Reed: What are other cities doing? We're not the only city in the county, although sometimes people think we are, except when it comes to dividing up the money, but that's another story. So we're not the only one doing the six strikes approach but there are other cities that are doing things that are completely different. Are the chiefs having conversations about everybody trying to getting in the same area for this policy?

>> Rob Davis: Yes, mayor, the discussions are being held at the county chiefs level. There were a couple of other cities that were doing something similar to what we are doing in the past. We have basically based our process on some of the things that we have learned from their processes. But there are some cities still that aren't doing any of this so a huge discussion going on at the county chiefs level and I think there's obvious interest of the D.A.'s office to pursue there as well. So it is something we are trying to use in terms of best practices to share with the outlying areas.

>> Mayor Reed: We certainly need another six months of data, I think, to begin to make the argument one way or the other with the other cities so I'm certainly going to support the motion as amended to have you bring that back I presume back to the Public Safety committee would be the appropriate place for it.

>> Rob Davis: Uh-huh.

>> Mayor Reed: Councilmember Kalra.

>> Councilmember Kalra: Thank you, mayor and chief I just had a question regarding on page 3 it indicates that approximately 4.75% of all the arrests were in the entertainment zone area. Do we know what that number was previously? Or off hand do you recall?

>> Rob Davis: I don't. I do know, you know, there's obviously a lot of attention paid to what's happening in the downtown area but you know when we're having those downtown issues for the most part this is a Friday night Saturday night this data of course takes in everything throughout the city, seven days a week 24 hours a day, throughout every area. So we do have these issues elsewhere, obviously, based on the statistics. I don't have the data from the prepilot.

>> Councilmember Kalra: Okay, yeah, I just want to thank you and the work you've done along with the city, and working with the other agencies I know challenging in the criminal justice system, there are many moving parts but I do think that the numbers indicate that certainly, I would consider the movement so far as successful. I think that further analysis is fine. I mean I think the more in data we have moving forward the better. Seeing the dropoff of arrestees clearly does support the idea of kind of giving folks an opportunity to not have to enter into the criminal justice system if we can help it given the dramatic dropoff from first to second and even then down to third arrest. Having spent many years in representing folks with substance abuse problems in drug court here in the county the reality is once you get further along to the right of that column to the second third fourth and keep going in that direction clearly people that are alcoholics and have issues that we need to deal with so I think that in the analysis and particularly if we're going to reach out further with some of our partners in the county D.A.'s office and odor wise this is a subject that's been discussed many times and I'm sure you're even part of some of those discussions but certainly been discussed many times at the court level you know we have these great programs here for folks that are caught with or under the influence of narcotics and whether it be meth or cocaine what have you we don't have that same kind of setup for people who get the second or third D.U.I. or in this case get a fifth sixth seventh eighth 647F and there are very little options other than just sticking them in jail. And as we all know it doesn't cure the disease they are suffering with. So going forward, you know, maybe we can find a way to do that I think maybe very helpful. It certainly you know someone that serves 270 days or six months in jail, 180, what have you will get six months, 180 days the same thing. But people that serve that, I saw it noted differently here, separately here but people serving six to nine months in jail for multiple 647Fs we know are just going to pick up another one, two, three, four, five, or 10. That's what we've seen in drug court if we can get them in these programs and have it farther of their probation will be much more likely to cure them, frankly. I think this is a good time to talk about that. I think it has been talked about very generally in the past but now that we're getting hard data now that there are a small percentage of these folks that we're arresting out there have some real problems. What can do to address them long term, not just put them in jail for a few months and get arrested again. I just wanted to add that, I think there's some real opportunity here now that we have some data to help people and I think work with the county we can do that. Thank you.

>> Mayor Reed: Councilmember Campos.

>> Councilmember Campos: Thank you. First of all Councilmember Nguyen I think you should be recognized as well for being able to have this come to your committee and endure the journey. But I wanted to acknowledge the work of the task force and the members of the task force as well as Deanna Santana and Norberto Duenãs for their commitment in the process. And I think that even though it was a lengthy process, I think that we see the work as paying off and I think that extending it another six months to see what the results are at a different number I think are going to benefit the council to be able to review it at a later date, once again. So I will be supporting the motion.

>> Mayor Reed: Thank you. I want to add my thanks to the members of the task force. I've discovered that planning and making recommendations, as hard as that may be, is the easy part. That the implementation is the hard part. So I want to thank the task force for their recommendations, being able to set this up and the department did a great job of implementing it. And we can see real changes. But I specifically want to thank the City Manager who chaired the task force with the help of Deanna Santana and others. And the people who served on the task force sometimes, less than a year but we kind of forget sometimes. I want to acknowledge and recognize and thank Otis Watson from 100 black men of Silicon Valley. Dr. George Wong from Asian Americans for Community Involvement. The city Manager, George Rios from the city attorney's office, the chief, Shivaun Nurre, our independent city auditor at the time -- well, I guess she still is -- Rod Schissler from Downtown Businesses, Kathy Cordova from the Latina Coalition of Silicon Valley, Victor Rodriguez of the national Latino peace officers of the county chapter, Rose Lee from San José State university, Ed Florez from the Santa Clara County Department of Corrections, Forrest Carr, our district attorney, Sheila Mitchell, from the county probation department, and then Mary Greenwood our public defender's office, she is the public defender. We had a pretty good sort of a blue ribbon commission of people who had a stake in this came up with some good

recommendations and notwithstanding the difficulties that the manager faced in getting this over the goal line, she did it, and everybody who participated through the entire thing is to be commended. And I think we're seeing some good results, not only are we still a safe city, things are better downtown and a lot less people are getting arrest records, unnecessarily, I think. So that's good, good results, and we'll run it for another six months, look at the data and decide if we ought to make some changes. So chief, thanks for the implementation. I appreciate that.

>> Rob Davis: You're welcome.

>> Mayor Reed: I have some requests from the public to speak. I'll take that testimony now. David Wall, Art Sanchez and Ross Signorino.

>> David Wall: Good afternoon, it's good to see you all. It's interesting commentary made by councilmembers who in my recollection, never showed their face at any time during those task force meetings. Come out with these glaring and glowing recommendations about how these people made such great decisions on how to interfere with police operations, how to confer unjust enrichment on the club owners and the downtown business association. This is a mockery, ladies and gentlemen, of what was going on in the streets, and at the time, at the time there were people being arrested for being drunk that were foreign nationals in the country illegally with priors. Shall I say drunken Mexican nationals with prior arrests were being held for deportation. The mercury News whipped up on this furor, caused this Hispanic debate, and now we are here applauding a so-called blue ribbon commission none of which at any time during the selection process or the decision process, were ever asked if they had any misdemeanor or felony convictions and yet they were permitted to be in the presence of the chief of the San José police. All of you should be thanking the chief of the San José police in its entirety. All of you, every time you go out on the street and see a beat cop you are to bow and ask forgiveness for what you've done. The sixth time being arrested business for being drunk all you are is enabling dereliction. You're supporting the ability of people to say, there is no self-accountability or responsibility here in San José. We want your money and a basically cash only basis with the clubs. And shaming our police department, you should be ashamed and hereby castigated by Councilmember Constant --

>> Mayor Reed: Your time is up. Art Sanchez, Ross Signorino.

>> Thank you, council. I just wanted to say that I've experienced it, and the officers that I spoke with, treated me with respect. I treated them with respect. And that's all it was. Was respect. My friends -- a couple of my friends were intoxicated. I was the designated driver. So my friends were being idiots, and so they were, you know, they were in front of the officers, being stupid. And the officers treated us with respect. And that's all. You know, San José PD, treated everybody with respect, they'll treat you with respect. Thank you.

>> Mayor Reed: Ross Signorino.

>> Ross Signorino: Thank you, Mr. Chair, members of the council. What I have in my hand is a book, it's called superfreakonomics, mentions about every malady that the human being can have and it goes through quite a bit. It talks about drunkenness on the street, pedestrians, and it also says how many pedestrians that are drunk are killed each year just by simple accident, getting hit by car, stepping off the sidewalk and falling into traffic and so on. Now, what I'm trying to bring out here is this, since our police department has got such a bad rap, and I use the term bad rap because of the arrests they were making down there trying to keep our downtown safe, there's no telling how many lives our police department has saved, by arresting these people and getting them off of the street for their own safety, if nothing else, and safety of other people. And I think that has to be considered. But we have a situation here where we're arresting Hispanics, and the Hispanics are crying out saying, well, we're picking on them. That's been always in our society here in the United States. We had Italians, we have all kind of different nationalities, as a matter of fact, the Irish had a vehicle named after them, it was called the paddy wagon. So we have to consider the fact that our police department's trying to act responsible sometimes perhaps in certain cases, over zealotry and we pick up a newspaper, we hear the radio, and how abusive they are. They are not abusive, our police department. At least in my -- in my situation, I've never had any trouble with them, as far as I'm concerned. And I think they're very respectful. We have a safe city and I don't think we should do all this six term, six strike and you're out. I wonder how far can we go with all this? Might as well make it 12. Why not, go find another number. When that don't work get another number, and keep on going and going and going with so many strikes and you're out.

>> Mayor Reed: Your time is up.

>> Ross Signorino: Thank you. I just struck out.

>> Mayor Reed: That concludes the public testimony on this item, we have a motion on the floor, we have one friendly amendment regarding the six month report back. All in favor opposed none opposed, this is thank chief. We'll next take up a couple of items on joint city-redevelopment agency matters, item 9.1 is the city/agency cooperation agreement regarding the Hillview park play lot project. Councilmember Campos.

>> Councilmember Campos: Thank you, mayor. First of all, I'm glad that we're finally addressing this issue. I know it's been an issue that has been very, very important to the community in the Hillview area. The tot lot playground was burnt down I think over two years ago, and I appreciate the City Manager responding to me, or staff responding to me about the time line. And I would just encourage staff, in good effort, to try to accommodate the community and get this built as quickly as possible. I know that there are circumstances that sometimes prevent things from moving quick within the city arena. But they've been without this to the lot and this playground for quite a long time. So I'm hoping that as we move forward, that that would be taken into consideration. So with that I move for approval.

>> Mayor Reed: We have a motion to approve. All in favor? Opposed, none opposed, that's approved. 9.2, agreements with Macias, Gini & O'Connell LLP to provide annual financial and compliance audits in accordance with our charter section 805. City Auditor.

>> Sharon Erickson: If I could take a moment section 805 of the San José city charter requires that the independent office of the City Auditor conduct or cause to be conducted annual post audits of all the fiscal transaction and accounts kept by or for the city. In accordance with my -- if I could also add section 1215 of the charter requires that we employ an independent certified public accountant to do that work. In accordance with these charter responsibilities and with input from various departments, the office of the City Auditor prepared an RFP for external audit services for the city and all its related entities. As in previous years, the RFP covered the city, airport, convention and cultural facilities, Hayes mansion, deferred compensation under a separate contract, the redevelopment agency, under a separate contract, the retirement funds under separate contracts and the San José clean water financing authority under separate contracts. So there are a total of six agreements in this. The intent of the consolidated RFP process for all the City's related entities was improved timeliness, increased efficiency and better pricing. Because auditor rotation is not mandatory, we encouraged participation in the RFP by all qualified firms, including our current auditor, Macias, Gini & O'Connell. More than 100 inquiries and clarification requests were processed in this RFP process. We successfully accepted five proposals that were evaluated by an independent, interdepartmental team. Interdepartmental, I'm saying independent so often in this statement. Interdepartmental team consisting of staff from the City Auditor's office, finance, airport, housing, redevelopment and retirement services. I want to thank those folks for their involvement. The team evaluated respondents on the basis of written proposals and interviews. The evaluation team recommended the selection of Macias, Gini & O'Connell, to provide financial and compliance audit services. Macias, Gini & O'Connell is an experienced government audit firm, in addition to having been San José's auditor for the past ten years, MGO is the principal auditor for seven of the largest cities in California, including San Diego, San Francisco, Fresno, Sacramento and Oakland. MGO received an unqualified opinion, the highest level of Insurance possible, for their 2009 quality Insurance review. To keep things fresh Macias, Gini & O'Connell is rotating in experienced partners, and additional expertise to the San José engagement, including additional expertise in auditing retirement systems and redevelopment agencies. The services specified in the RFP will be as I said addressed in six separate agreements with total compensation of \$688,000 for each of the first two years, this is a savings of \$131,000 a year, 16% off of Macias's 2009 contract fee. You're being asked today to approve two of these six agreements. The first is the City's general agreement. It includes our CAFR, single audit, airport and a variety of other audits, including the bond and parcel tax measures. The second agreement you're being asked to approve today or to authorize today is an agreement with the redevelopment agency for the audit of their general financial statements, CAFR and compliance. There are four other agreements that you are not being asked to approve today. Those will be going to the clean water financing authority, deferred compensation, federated retirement system, and the police and fire retirement system. Retirement plan. I did want to bring to your attention the fact that April 12th retirement staff issued an RFP for a separate audit of the police and fire retirement plan financial statements. Given my charter responsibility and following across departmental open and competitive process, I continue to recommend the selection of Macias, Gini & O'Connell. I will make that case to the police and fire board on May 6th, depending on the action of that board I may be back to the city council for additional direction on

my charter responsibilities. And with that I ask for approval of the two agreements for the city and the redevelopment agency.

>> Mayor Reed: Motion to approve. I want to congratulate you for bringing the price down by 16%. We're looking to save money where we can. That's a nice bit of change. On the motion, all in favor, opposed none opposed, that's approved. Thank you. Our next item is open forum. Chuck Tonicliff and Norma Pizzini.

>> Mr. Mayor, members of the council, my name is Chuck Tonicliff. I represent the silver lake campers association. In 2009, the City of Stockton determined they were not going to reopen their summer camp for families that's been going since 1921. At that time, the association, which is now a nonprofit association, decided that that was unacceptable. And we entered into a community-city partnership which allowed us to run the camp. We have heard this year that the City of San José will not be opening their camp for similar budgetary problems. When we ran -- when we started running the silver lake camp we found out that there was a continuity problem. Continuity problem was that people when they found out the camp was not going to open, they made other plans, other types of vacations, and they did not return to the Stockton camp. We believe that that might become a problem for the City of San José. We are not in competition with you. We are a different type of camp. We have fewer amenities and activities than you do. However, we have decided that we would make available for a period of two weeks, if the city and your campers association were interested in continuing the continuity of bringing families up that have been going up to your camp for many years. We're not looking to make a profit off of this. We're not looking to steal any of your campers. We are going to be offering a situation where, for four days, three nights, seven days, six nights, or for other periods of time, just barely over our break-even point. Our break-even point last year was approximately \$35 per person per night. And most of these special deals we have for your association are just above that point.

>> Mayor Reed: Your time is up.

>> Thank you very much sir.

>> Mayor Reed: I would ask you after the meeting if you could talk to Ed Shikada, give him the information, he works for the City Manager. Norma Pizzini and then Jim Piazza.

>> Mr. Mayor, members of the council, there is a huge budget crisis, I'm aware of. And sometimes, big problems seem irresolvable unless you start at the very small step. And I had two ideas just come to mind the other day. I was at home, and I noticed the trucks coming to clean the street. Well, the street wasn't that dirty. I thought, instead of once a month cleaning the streets, why not every two months. Instead of garbage being picked up every seven days, why not every ten or 11 days. I'm not suggesting that by doing that, that you lay off city workers. But the fuel that would be saved by these trucks not running as frequently, there are three trucks that come through my neighborhood to pick up the garbage. Three trucks. That's a lot of fuel. And if that were decreased by a third or even half, it would be a considerable savings. So that's just a very small step that I think could be looked at. That's all I have to say. Thank you.

>> Mayor Reed: Thank you. Jim Piazza.

>> Honorable mayor and councilmembers. Based on your multitude of speeches over your tenure as mayor regarding improvement process for permits to assist small businesses and your latest report, which I applaud, on the success of a large company relocated within the city without losing a day of production. I'm requesting the same consideration for my small company, which unfortunately has not seen a day of production since I began the permit process nearly two years ago. Approval of a temporary occupancy permit would provide me an opportunity to open and generate revenue, provide tax funds for the city and create much needed jobs for our City's unemployed. I thank you for the time and consideration.

>> Mayor Reed: Thank you, Mr. Piazza. I know that our Planning, Building, and Code Enforcement departments, office economic development and others have been engaged with that project. I'd like for you to talk to Ed Shikada again after the meeting because I think you need to talk to our Planning director to find out what it is for you to do to move forward and Ed can set that up. Okay, thank you. That concludes the open forum, that concludes our meeting, no meeting tonight, don't come back!