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City of San José PSFSS meeting.

>> Councilmember Nguyen: At this time I'd like to call the Public Safety, Finance, and Strategic Support Committee committee to order. We will start with item D the committee reports, and item D 1, verbal report on the City Manager's use of force advisory group.

>> City Manager Figone: Thank you, councilmember, Madam Chair, members of the committee. We do have a slide presentation for you today that I'm going to take you through significant part of this. Members of my team are here to help answer questions and then I will also hand it over at the end to Chief Katz and Captain Kirby for additional comment. So today, the goal of our presentation is to provide you with a verbal status report on the work completed to date by the City Manager's use of force advisory group, the challenges that we've encountered and upcoming key milestones to complete this council referral and also we want to report on police department efforts underway in the areas of training, police accountability, community relations and innovations. The first slide here shows that there are a range of groups involved, in stakeholders that are needed to drive change. So that we can be successful from a total perspective in creating a safe city. Collaboration and communication are critical for bringing these different segments of the community together so that we can work on common problem and interests. And as a matter of principle, but with a particular focus over the past 18 months we have shown that San José is a great city that listens and responds to its residents and workforce. We have every reason to be proud of the work that we've done and continue to do based on input and participation from the community, our police department, our mayor and city council, and other stakeholders. And at the same time, we do have to acknowledge that this has not always been a smooth process. There are some very strong views and strong emotions that we have encountered, the issues are deep and complex, and there is still a lot of work to be done. This should not detract us from recognizing the changes that have already been made and the changes that are in process of being made. And so I do want to be clear that we, as an administration and as a police department, are taking steps to address community input and concerns. Part of collaboration and dialogue is having the commitment to stay in the conversation even when it's not easy and I am personally committed to reaching out listening and responding to all segments of our community. That is how we're going to create solutions, drive change, and achieve success. And I do appreciate the mayor and council's support and patience, as we continue to work through these issues. As I've noted, many recent efforts have taken place to improve and strengthen police services, and are also underway. This slide lists some of those efforts. As you can see they're organized into four categories. Training, community relations, police accountability and innovations. A lot of excellent work has gone into each of these quadrants. Our office, the City Manager's office, has played a key role in shaping these initiatives and has worked hand in hand with the police department in doing so. Later in this presentation, again, Chief Katz and Captain Kirby are here and they will cover some of these efforts in a little more detail. However I'm just going to spend the next few minutes to focus on one segment of this work, and that is the use of force. Last November, the mayor issued recommendations to have the City Manager with the assistance of an advisory group work on these tasks. Review calendar year 2009 use of force reports where the only charge was resisting arrest or interfering with the police officer. This is penal code section 148. Answer specific questions based on the review of these cases. Report back to the Public Safety, finance, strategic support committee within 120 days and reach out to key stakeholders in the community to elicit input prior to presenting recommendations to the full council. I should also note that I did issue an information memorandum on February 5th outlining our current efforts. So my update today does pick up on the work that's been completed since February. Members of the task force just to remind you include myself, Sharon Erickson our city auditor, Shivaun Nurre our acting police auditor, both council appointees, Deanna Santana deputy City Manager in my office and Gary Kirby, again our captain in the police department. And we've had staff support from John Dam who is our risk manager in the human resources department, and staff from my office, Alexandra Orogas and Vilcia Rodriguez. And as our legal advisors, we have had George Rios, who has since retired, as you know, but George was able to work with us up until his last week, and Steve Dippell. The advisory group has been working very hard on this effort since December. To date we've had eight meetings for a total of 15 hours of group discussion, in addition to, I can tell you, countless hours that each member has invested on their own to review over 50 police reports. And I'd like to thank them for all of their efforts and commitments to this project to date. I can guarantee you each one of them has taken this very, very seriously. And I would like to add of course thanks to my own staff, but in particular office of the City Attorney and Steve for his assistance and work to date. So from my comments today, through review of the February 5th info memo you'll hear about the complexities of our work, some of

which we've recently encountered and I hope that you will gain an understanding and an appreciation for the due diligence that's needed before answering the referral questions in their entirety. So again the advisory group has been tasked with reviewing police use of force reports for the 2009 calendar year in all instances where the only booking charge was resisting arrest or interfering with a police officer, both of which are prohibited by penal code section 148. So the purpose of the task force review is to assist me with responding to the questions in the mayor's memo and to provide input towards opportunities to strengthen our practices in the police department, especially around training, procedures, and policies. The mayor's November memo contain some questions that require a statistical response. In an effort to answer these questions a query was initially done of the police department's records management system, or RMS. It identified 54 police reports where a sole violation of section 148 was described. Now in the course of the group's review of these cases we did discover that the RMS system design is not able to yield all of the data needed to completely answer the referral's questions. The RMS system is an internal incident tracking system used to organize arrest and incident data in order to among other things meet state and federal reporting requirements. However, after the results of this initial inquiry were reported in my February 5th memo, I learned that, and we learned as a committee, that the department's RMS system does not collect data about in-field book charges. The RMS is not designed to track data by booking charges which is, in part, the information needed to answer the mayor's questions. Therefore, although the information in the February 5th info memo that I sent out provide insight into the data collected by the RMS, through our questioning and our committee, I did decide to search further for data that would reveal information about booking charges which I think would be better suited to respond to the questions in the mayor's memo, and the committee agreed. As a result, staff began to look at other data sources that can more fully answer these questions. We found that the county Department of Corrections booking information can provide us with a better snapshot of 2009 arrests in which resisting arrests or interfering with a police officer was a stand alone charge. Based on this, I, and we as a committee, have agreed to look further at the county's data, and this data will also need to be supplemented with the department's data tracking force response reports. So this is all to say, bottom line, that work is underway to understand the DOC's or Department of Correction's data limitations as well as the methodology of extracting this data and combining it with the data from the department's use of force response reports. And again, if there's questions about this process, the team on my left will be able to help respond to questions. The second task of the advisory group is to identify potential improvements that could be made to current police department policies, practices, procedures, and/or training as part of an ongoing effort to employs best practices. As a starting point a presentation of policies, procedures, guidelines and applicable laws was made to the advisory group to help in their review of police reports and Captain Kirby has been a tremendous resource in assisting us with those understandings.

In addition, members have also been provided with information on training that has been delivered to the officers over the past nine years. This training falls into two areas, verbal communication skill development and handling difficult encounters and web based training in the areas of use of force. In their own time, members of my committee have also reviewed a post-use of force video used by law enforcement agencies as a staff training tool to reenforce the law, and they've also reviewed case decisions related to police officers use of force. The mayor's November memo contains two questions with multiple subquestions. Today I can provide you with answers to all of the subparts, to one of the questions. Responses are included in a handout that is in front of you. We can take questions about them after our presentation. We anticipate being able to answer the other question once we have identified and reviewed the booking data from the county's Department of Corrections and/or other data absorbs that would provide the best insight available to those questions. Since our ability to respond fully requires further investigation, and potentially city-county coordination we will need some more time to complete identification and analysis of the data. Through the work done to date by the advisory group, preliminary categories have emerged where the group will likely provide input to me and to the police department. These include in-field procedures, training, documentation protocols, and comments on department philosophy and standards. Given that our work has not been completed, I will have more detail when I return with fuller answers to the questions. Upon this work being concluded, recommendations for the police department will be clearer. The immediate next step in this process includes a community dialogue with residents, and staff from my office and ideally members of the police department who are very important stakeholders in this process. Our hope is that this dialogue will feed into the special committee meeting of this committee with the community on April 14th. This framework is still under development and will be further developed after the April 1st meeting. And while both of these

events will focus on police services, we do expect that the use of force issues will also surface. This fall we will have a status update to council on implementation of police efforts and response to referral questions and recommendations for the police department. So with that I'm going to hand it over to captain Kirby and chief Katz to provide a status report on police department efforts currently underway.

>> Thank you, and as the manager said this discussion today is just but a part of a host of continuous improvement efforts that are going on with the police department working with the administration. As the manager said a lot of good work is being done. And we have a lot going on in these efforts in many different areas of the department that touch different facets of what we do, internally and with the public and with that I'm going to turn it over to captain Kirby to talk about some of those efforts.

>> Good afternoon. Some of the things that I'm going to talk about were briefly touched on by the City Manager and have been presented to you on multiple other meetings but I want to cover them in succession here so we can talk about them and understand a little better. We talk about the first quadrant which is training which started with the development of new procedures and policies for public intoxication that you may remember from the panels that were embodied. And as an outgrowth of that we also looked at reporting methodologies and accuracy in reporting for the resisting arrest public nuisance disturbing the peace type process which led to the natural progress of looking at all reports or documentation and clarification. If you remember, one of the outcries from the public intoxication task force was that when they reviewed our reports it was unclear some of the reports specifically to public intoxication where probable cause was stated where it played a fact in the report in the officer's decision to make an arrest. That has since been clarified and with a new reporting form specific for 647 F, for public intoxication, it goes through many of the things that the task force asked for, specifically calling out probable cause for arrest, the specificity for the observations that the officer made to make the determination that the person met the criteria for arrest. All of these types of trainings go back to our initial start of an employee which is at the academy, and as they pass from the academy to the field training program and then eventually the whole patrol division. So when we deliver, or we say we're delivering training, it's to all those components in the department not just the people that are in the street right now but it starts with the academy revamping of training also. The next area, police accountability. We have talked on several other meetings about the early intervention, early warning system the department is looking at in comparison with some of the other agencies that have good processes in place and some agencies who have processes in place that have spent a lot of money on that they're not very happy with and what the research and development unit for the police department is doing now is bringing those vendors that think that they can offer us a product of a good price and integration into either our existing system or our potential new records management system so we look forward to that in possibly May or June to have an open discussion with some of those vendors as to what our new budget process is and what we still need out of the program so that's forthcoming. We've also looked in the early warning system about what needs to be there so there's open dialogue and discussion with that continuing. Enhanced report writing and uniform supervision, chief Davis in November 2008 wrote a department directive requiring that every in-custody arrest be reviewed by a supervisor and signed off before the investigation was complete. Random spot checks by the bureau of field operations captains are taking a variety of incidents on random and checking the flow, the timeliness of the report and the investigation and the completeness of that investigation in comparison to some of the training that we've already given for accuracy and completeness in reporting. Just recently, as a conclusion of one of the aspects of the Sunshine Reform Task Force where data was discussed as far as the IPA providing a five-year comparison of officers and what complaints they got and what the disposition on discipline was, we also included the department initiated investigations as well as the public complaint process. So that will be forthcoming as a police accountability process. As the City Manager mentioned the use of force task force has pointed out some things that we have looked at to do in the interim before a final solution is done so we're not waiting for final solutions, we're making small adjustments not only in the training but in the assessment of the supervisor's involvement and you'll hear some of that in the forthcoming Rules Committee meetings. As far as -- let me jump over the quadrant for community relations. We have had over the years the following community citizens academies. We've had two English speaking citizens academies, one Spanish speaking citizen academy, we've just concluded the first Vietnamese speaking academy, and have the next one scheduled for -- Vietnamese speaking academy for April 12th as part of our community outreach. We have, as far as the community of San José video that's being produced out of our video unit, it's a very intensified video. It takes about 6 to 800 hours of research, development, film cutting, splicing, it's a virtual make of a movie, so they're working on that as well. As mentioned in the City

Manager's slide presentation, on April 14th we will have an evening public outreach meeting that consortium on police leadership and equity will be present. They will be prepared to talk about or listen to the community, and I think they also have a presentation that week to this committee on what their irupdates are as far as what they've learned in their research so far. As far as innovations in the department, the San José PD is proud to be a beta tester for this camera system. And when I say beta testing, we're looking at everything from integration of the hardware and device for the comfort for the officer to be on the street, the battery pack size, the downloading of information to a convenient server for retraction and correlation to the investigation for a quick review in the field and also long-term review for any type of investigation. As I said before part of the training that the department went through was a new public intoxication arrest form where it was specific to many of the things that the task force had asked for, in the development of a new form such as like I said probable cause, specific race, what were the conditions that led the officer to believe the person was in a violation of that code section, and we added field sobriety checks that or field exercise tests that the officer would be doing. The public intoxication alternate to arrest program that is underway that I think you've been briefed on that we're going to be going to council on probably the next few weeks to give a six to seven-month update, basically it was that if you were arrested in San José, six times for public intoxication, then those six arrests would be grouped and taken over to the District Attorney's office for filing and at that time, you would be considered to be arrested for that charge. Anything less than six arrests, your stay with the San José police department and the county jail would be determined to be a detention only, and not an arrest. So if you were to be in need of stating on an application for employment, security concerns or whatever, you could have a certificate in your hand that said your time with the San José police department was merely a detention and not an arrest. Meaning I think that council's desire to decriminalize public intoxication. So far as of July, to date, we have nine people that have met that criteria of six arrests within 12 months, a rolling 12-month period and we anticipated to have our local inebriates that we come in contact with time and time and time again and projected that population to be about 20 that we anticipated to be arresting in the first 12 months. So we're at nine. We're a little bit past the halfway mark so it will probably be a little bit less than that. One of the things that is also interesting in the combination that is not in this innovative section is our lieutenant for our metro unit is responsible for putting together an alternate prosecution through the court system where these nine people that had six arrests, there's a few other people that are bumping up to the three, four and five, are the ones that are actually draining the resources for emergency ambulance response, fire response and police response. And what lieutenant porter in our metro unit has done is he's working with the courts to schedule these individuals through judge manley's court and he has a day in his court where it's mental health issues day, substance abuse day. Because many of these things are not just public intoxication, they are other deep seated avenues that need special consideration for sentencing and much of that sentencing is getting that person around not having to come back and train the city for resources again. We've had extreme success in that so far. The entertainment zone training it's an ongoing training process with us rotating personnel in and out of assignments throughout the year. That's an ongoing training program for public intoxication specific to the entertainment zone downtown. And with that that concludes the four quadrants.

>> City Manager Figone: And that does conclude our presentation and we're happy to answer any questions.

>> Councilmember Nguyen: First of all let me just say I'm really grateful for the work that the City Manager's office and the police department have done up to date. This is very comprehensive and I'm glad to see that we're actually addressing this issue similarly which is good. I have a couple of questions in regards to the community outreach portion. We have done extensive community outreach in the last year or so in regards to all the different elements that we're doing. I was just wondering if, if the City Manager or members from the police department can talk about the reaction so far that we received from various community groups, different organizations, how are they reacting to some of the things that we're currently doing?

>> City Manager Figone: Maybe I can start and then Deanna can jump in and augment. I've recently attended actually two meetings that I was invited to, one sponsored by AACI and another one, the coalition for social justice and equity, I may not have the exact name correct. And in each case, I was quite surprised, that the community, I don't think, is still fully aware of all the efforts going on, and whereas I thought I was walking into a room where people were aware and up to speed, I have found myself reminding them of all the work that is underway. So I think the outreach is really excellent from that standpoint, to just bring awareness, people's lives are very busy and so they don't always follow as

closely as we do what's going on at City Hall. Once they find out they may not all agree that we've made enough progress or are there yet or are they're seeing the results. But I have felt that at least there is understanding and through that understanding although not complete trust necessarily but giving us a little bit more space to work through this issues. And that's the impression that I've gotten, councilmember. I know Deanna if you can add to that.

>> Deanna Santana: I would just add that we were very excited when we became and started to meet more closely with Chris Block of ALF and Michelle Lew from AACI to start to partner and look at where there might be alignment under the community dialogue process. As we started to look and analyze okay where are we at and assess how do we move forward for the April 14th meeting what we realized the most recent community dialogue that took place brought groups of people that traditionally would not come together to talk about police services and they stayed in the room they talked about their perspective, their perspectives were acknowledged, and the meeting ended by acknowledging okay how do we shape the future discussions going forward and who else needs to be in the room? I would probably suggest that about 18 months ago that would not have been the appropriate format for supporting these types of meetings. And just based on the progress from the community dialogue perspective that's already been made, it feels as if now we can move forward with the April 1st meeting to inform the April 14th meeting and continue to have those types of dialogue to bring in the different drivers of policy and input and information, so that we have a better collection of what we need to be thinking about as we look at different options for city to pursue. So I would say that the base of how we proceed with community outreach has changed.

>> Councilmember Nguyen: Anything from the police department?

>> I think it would echo what the manager would said in going to the community meetings and forums, evening ones, I still continually put out the word about what we're doing and I find some people, community leaders are aware, others aren't. I think we're slowly spreading that word and we're getting positive response and feedback when people are -- realize what we're doing and I also have received positive feedback from community groups that are aware of what we're doing and see positive change and they feel that things are moving in the right direction.

>> City Manager Figone: And what I would add also is that people aren't shy. I mean they're expressing their concerns and we're continuing to hear some of the concerns that we've heard over the year and a half or more that I've been involved with this closely. At the same time, I think they're impressed with our transparency. And that would be transparency of the police department in terms of the responses that they get, I think we are going to great lengths to not be defensive and to really ensure we're demonstrating that we're listening.

>> Councilmember Nguyen: Thank you. I'm going to ask this next question and the reason I ask this is because a lot of the reform, what I call reform that we're undertaking currently has a lot to do with the reactions and the concerns that were raised by different groups in the community in the last couple of years in regards to some of the things, the practices and the trends that are being conducted by the police department. And so that's why I think the critical point of what we're doing we have to at least get the community involved and amplify the level of awareness that we continue to do because if we're doing all these great things and people are not fully aware of what we're doing, it's somewhat defeat the purpose of doing this. I know that it's great for the police department, it's great for the city. But if the committee groups and residents aren't fully aware it really defeats the purpose of what we're trying to employer. So moving forward I'd like to see us moving in the direction of amplifying the level of awareness, ready getting community organizations and groups involved, perhaps you know allow them to be the mouth piece to be out there and project what we're trying to do, in terms of the reform that we're trying to accomplish. Then the other questions I had had to do with so the input we're getting from the different community meetings with these different groups, what are we going to do with that and how can we incorporate that into some of the things that we're trying to do in regards to the different elements and the training, community relations, police accountability and innovations as we move forward.

>> City Manager Figone: Deanna.

>> Deanna Santana: Well what our plan is for April 1st is to actually bring this PowerPoint to the community dialogue session and see if there's a candidate who wants to come back and report out in terms of the discussion that's had on April 1st to the Public Safety committee on April 14th. So we're looking at ways as you suggested to give to the actual community members to start to reflect on what the City's efforts are.

>> City Manager Figone: I would also say as we are out there listening and this doesn't really happen in a really elegant organized way but I would venture to say that we are all listening for, where does the feedback that we're receiving, whether it's a casual comment or more fully stated complaint, land in at least these four quadrants that we're looking at. Is it a training issue? You know, should we look deeper at police accountability, is this about community relations and just getting the message out there or being more accessible? So I think there is that underlying analysis that's always going on as we're out there listening, and then trying to assess, you know, what do we do with this information, where should it go?

>> Councilmember Nguyen: And then a final comment. I would be very interested actually having a member of the public to be, you know, the spokesperson for -- from the community to come and share with us at this special meeting of the 14th in terms of what the city has been doing, has it been positive, has it been negative, sort of their overall reactions to the efforts that we have been doing the last six, seven months.

>> Thank you.

>> Councilmember Nguyen: Thank you, questions from community members? Councilmember Oliverio.

>> Councilmember Oliverio: Thank you chair. I'll just say this, as far as feedback from the community, what I keep hearing consistently from my district members is that they're happy with the police. So I know we have to judge a whole city and different groups who have different agendas, but at the end of the day they're happy on the police performance. I wanted to say on the early warning system adoption, considering our current RMS system doesn't log the fields that we want it to have, and our new RMS system that should be no problem containing that new information, but there's a lag time of whatever it's going to be, I wouldn't be very crazy on purchasing something very expensive to manage that. From what I understand of it, I really think it's more of a business process that we could contain and something that's not very expensive and I'd be happy to have that discussion offline because I don't want to take the committee's time but understanding your needs to record information and then report out on it I think we can do it in a very inexpensive way.

>> That's exactly why we haven't moved forward and recommended purchasing something that may be obsolete the day we put it in place so we're thinking the same lines.

>> Councilmember Nguyen: Okay, I'm going to take some comment from the public. Mr. David Wall.

>> David Wall: Good afternoon. This particular issue presupposes that there is something wrong with the San José police. I personally reject it out of hand. I think we have the most pristine police agency in the Bay Area. And the only thing that interferes with proper policing of this outstanding police agency is reactionary actions to the San José media, such as the Mercury News, and its related hype, and the incompetent intermeddling with police affairs by the incompetence of the office of the City Manager. In my opinion one way to remedy this unfortunate ongoing incompetence that we've seen, in which we should just basically outlaw any type of irresponsibility and any type of law enforcement whatsoever, as we've seen with the drunk in public issue, a preferential treatment to the night club owners for unjust enrichment for the people that can get drunk and do whatever. And now we have this hype, propagated by the next generation of news stories in the Mercury News to sell newspapers, assaulting our police department, manipulation of statistics, and the vacillation of the incompetence of the City Manager. I reject this out of hand. There's nothing wrong with the San José police. This whole process that you're creating is burdensome and oppressive, therefore objectionable. You have no money to take on these extra process. As far as community outreach goes, it is very simple. Tell people to be accountable for their actions. Tell them to obey the law. Thank you.

>> Councilmember Nguyen: Thank you. Okay, that concludes the discussion on this item.

>> Councilmember Constant: Motion to seven the report.

>> Councilmember Nguyen: We have a motion and second to accept the report. Awe are all those in favor, opposed, hearing none, thank you. We'll go back to the beginning of the agenda, item B, the review of the work plan. I think we have just one item and it's being requested to be deferred to April 15th.

>> Councilmember Oliverio: Motion to defer.

>> Deanna Santana: Madam Chair, I just wanted to add the administrator's response for the audit regarding the community centers was distributed one day late so we would need a sunshine waiver to hear that item today.

>> Councilmember Nguyen: Okay, shall we do that when we get there or do that now?

>> Deanna Santana: Either.

>> Councilmember Nguyen: Why don't we do that when we get there. We have a motion and second to review the work plan which is a request for deferral to April 16 for item 1. All those in favor, opposed,

hearing none, motion carries. We will move down to the consent item. Motion and second to approve the consent item. All those in favor, opposed, hearing none, motion carries. Item D2, report on the Silicon Valley region inter -- I don't even know how to pronounce that word.

>> Councilmember Constant: Interoperability.

>> Councilmember Nguyen: Interoperability project and proposed joint powers agreement structure.

>> Before we get started I did want to acknowledge that Chief Scott Seaman, our SVRIP chair -- we say SVRIP just because we get tripped on words, too. And Mike Milas, our executive director, is in the audience and here available to respond to questions. Approval of the recommended action would enable the formation of the City's membership into the SVRIA which is going to be changed from project to authority, which is aimed at facilitating local, regional and public safety interoperability efforts. Approval of this recommendation will enhance the Public Safety's data sharing, communications, and technological systems. The goal here is to allow jurisdictions to joint-contract and purchasing powers for regional operability projects, as well as to jointly fund projects related to interoperability. It also allows for us to apply for grants, and to seek funding to facilitate accomplishments of these goals. San José has been a founding member of the SVRIP under a JFA structure and is currently -- the structure under JFA structure is administered through the Santa Clara City Manager's association. The budget for this item, we are bringing forward, it's generally covered under the city's five-year forecast. It's largely maintenance. However we are proposing a one time funding to carry the City's operation and maintenance cost and in return we get -- will provide some in-kind services to offset our contribution. Thereafter we'll bring funding requests on a year to year basis to cover the City's cost to participate. That's really all we wanted to highlight for the presentation today. We are available to respond to questions. I'll kick it over to captain Diane urban if there are technical questions about the projects that the SVRIP has already implemented. We would need this item to be cross referenced. It does require full council action.

>> Councilmember Nguyen: Anything to add captain, chief?

>> The only thing I think it's important to add is one of the things that makes this timely is that in May of 2009 we went live with our e-communications system and I know you've heard me speak about that at council meetings, the 25 site microwave ring that runs around Santa Clara County and hooks all of our public answering our 911 centers. And that was primarily funded with grant funds, about 8.9 of the \$10.1 million. And so that is a very valuable asset that because of its cross functionality and cross jurisdictional abilities, we want to make sure that that becomes, it is natural to move it over to a JFA to a JPA since we're already sharing that resource with the other cities and the county, in Santa Clara County.

>> Councilmember Nguyen: Great, thank you. Any other comments? Councilmember Constant.

>> Councilmember Constant: Quick comment. I just got back from Washington, because I serve on the NLC committee for Public Safety, and this has been the, whole interoperability system nationwide has been a top legislative priority for the NLC in cities and regions throughout the country. I think it's a great idea and just putting a plug if the mayor's listening to be one of the people that's appointed to it. So I think it's a great idea and I think we should move forward. Motion to approve and cross reference.

>> Councilmember Oliverio: Second.

>> Councilmember Nguyen: I think we have someone who wants to speak on this item. David Wall.

>> David Wall: The actual function of what you're going to approve today I don't have a problem with. The actual structure of it, I do have a complete problem with. One of which deals with the creation of a JPA, a joint powers authority as entity. Once these things are created they take off as an entity on their own. One things of the report which is severely lagging there's no infrastructure support defined as far as clerks, budget people, attorneys, things that need to have this JPA function and how are those things going to be funded? Well, the overall funding mechanism is proportional to the amount of citizens within a given region, i.e. San José will be the main funding source for this. Which means, then, why don't we have greater representation on this JPA board? There's only two members from San José that's going to be on this nine-member board. So this is a taxation without representation issue. There are -- the operational integrity in itself, this is more or less and Councilmember Nguyen you will understand this, this is TPAC in reverse. Okay? This is where the county will be creating this infrastructure, San José taxpayer expense, instead of the other way around. And it's the San José police that should have complete control of operational integrity, of county communications because they are the lead agency in the entire county along with our fire department. And all agencies should be subservient to them from a regional perspective. Thank you. North Carolina thank you. Are there additional comments? Okay, we have a

motion and second to accept the report. All those in favor? Opposed hearing none motion carries thank you. Next up we have item 3, verbal report on retire, retiree follow-up from police department.

>> Councilmember Constant: No reinforcements for today?

>> Good afternoon, Tom Sims. I'm the commander of the research and development unit out of the police department. I'll try to keep this short and sweet. This is a verbal report basically following up from the January 21st public safety meeting regarding the use of retired San José officers to perform administrative duties. As discussed back in January there were many legal and labor issues that surfaced as we began looking into this idea. During that January meeting Councilmember Constant asked the department to look into two items. One was the use of reserves to conduct some of this work, and two, to look at other agencies that use reserves for specific assignments. The point of this exercise originally was to identify cost savings and to some extent resource efficiency. To give you a little background on our background procedures, we have officers throughout the department who are temporarily assigned to our backgrounds unit twice a year, and they conduct up to about 240 backgrounds at a time or throughout the year and each officer is assigned approximately 14 recruits or backgrounds to conduct. Of that, they -- or the officers that are assigned then have to attend a background school and each background is very thorough detailed and extensive. One of the points that Councilmember Constant asked us to take a look at was to review four agencies for their respective revenue programs. The Santa Clara County sheriff's office, Hayward PD and Los Altos PD. All of these regarding the use of their reserves. Only Hayward PD had a system that utilized full time sworn or reserves to conduct background investigations. The backgrounders are paid full salary for the work they actually perform. The Santa Clara County sheriff's office outsources their backgrounds and has no specific other assignments for reserves, Campbell does not pay their reservation for any special assignments, and Los Altos does pay its reserves to conduct patrol-specific functions only. Now the San José police reserve is a volunteer organization that provides emergency call back to the department on a 24-hour basis. The police reserves provide assistance for numerous department relief special functions and community events in support of patrol function. So as we begin looking into it obviously we have reserves, the using of reserves to conduct backgrounds presented many different issues and of course, we collaborated with the city attorney's office on this as well. One of the issues was the assumption about their qualifications. Just because they are a reserve doesn't necessarily make them a good background investigator. So we would have to look at each individual officer, individual reserve to ensure that they meet specific criteria to be a background investigator. Additionally, we have issues involving the practicality of using reserves, because again, they'd be working on a temporary full-time basis, if there is such a term, for 14 to 20 weeks depending on the extent of the backgrounds that they'd have to be conducting when in fact they are only required to volunteer ten hours per month. This would also cause a change in how we utilize our reserves. Now this is just as a volunteer program. If we were to actually look into paying them, the city would need to look at changing the municipal code, dealing with compensation for reserves, as well as examine other legal and labor issues that were discussed back in January. And even then the department would need to further analyze to identify if, one, the reserves are even interested in doing this, and two, if they are even qualified for the position. And then lastly, finding funding to pay for these part time employees. And again, this was originally a cost-saving measures.

>> Councilmember Nguyen: Great, thank you very much. Questions from committee members? Councilmember Constant?

>> Councilmember Constant: Just a question, I never thought to have them do as free volunteer work, this is if we were to be paying them to do the work because initially it was about hiring back retirees and that posed challenges, so my assumption was that the analysis would be paying reserves much like the paid jobs. As far as the qualifications, we have 143 I think it is reserve officers right now and I think half of them are retired cops. Most of them cops that were of rank so I think there are probably a bunch that are already certified. I know there is a lot of resistance from the department in this but I think it is doable. I've spoken myself to about half a dozen of the reserves who think it is a good idea and would be able to do it. But I know that the command staff at the police department doesn't agree. But I think given our situation in the city, we need to look more at the reserves. In fact, San Francisco police department announced recently that they are now using reserve officers to do all the enforcement and patrols of the Muni buses, in a paid status. Now, I know there's complicating issues like the Muni code but that can be changed on any given Tuesday. That's something we do regularly. So I personally think it's something we still need to give more thought to and I think there's a lot of other areas that we could and should be using these resources. Because quite frankly, we're looking at the potential of laying off 140-something police

officers, and we still have services to provide. So I know the administration doesn't agree with me but I think it's something that we need to continue down the path. And I just -- I get the information we're getting. But I don't think it was done in the intent of what can we do to make it happen, versus what can we do to justify not doing it. That's nothing personal against you, Tom. I just think that that's the feeling I get.

>> Councilmember Nguyen: Councilmember Oliverio.

>> Councilmember Oliverio: I just agree with Councilmember Constant, that some lunacy to it, in that there's all these qualified individuals that have up the ranks in the PD and how come we couldn't find a way to do it? I would say I do read the hesitancy from whatever level but I just think it's one of these things where people ask you why not and you don't have a good answer for the community and you feel real dumb. Especially if we are going to delay a police academy and take people off the street to do all this backgrounding. You're inevitably lowering the ratio at any given time for patrol in some way. So I would just like to see a way to eventually get it done, but I accept the report for what it is, since you're the content expert. But I agree with Councilmember Constant.

>> Councilmember Constant: And I think there's some easy ways. Like all reserves have a basic post, but only the ones that used to be retired cops have advanced posts. So just making the requirement that in order to participate, you have to be a level 1 reserve with advance post would automatically narrow the field to a group of people that you know are qualified, because they were not only employees, but they were employees up to a full retirement. Anyone who has an advanced post has to be a full time police officer at least four years, I believe, isn't it, with an advance degree, or six years without an advance degree. So that alone sets a framework for qualification. I know we have at least a couple of retired lieutenants who are now reserve officers. So I mean, we're not talking about the bottom of the barrel type people that have done this. And I bet you by this time next year our reserve force will be approaching -- we have a cap in our charter I believe of how many officers we can have in our reserve. We have a minimum and a maximum. And at the rate of retirements that we're having, I think we'll probably reach that cap. And I think when we do the pay job audit which is going to come up pretty soon I hope, we're going to find out that many of these reserve officers are working in excess of 40 hours a week at pay jobs anyway. So if we could bring them in at 100% of a salary, we're still saving 75 cents on the dollar that we're not paying into retirement, benefits and all those other things especially as we escalate, within five years we're going to be paying a dollar in benefits for every dollar we pay in employment so we'd be at a 50% reduction still paying them full salary. So I think it's something we need to do and in fact I think we should be doing it in other areas of Public Safety as well not just limited to the backgrounding.

>> Deanna Santana: I was going to suggest on Tuesday night during the mayor's message we did accept a referral from the council to bring back information in terms of the impact and how the dust was going to settle with respect to the number of sworn officers that are potentially going to be reduced from the workforce. Why don't we take this back, and throw in the issue of reserves, and what piece of the puzzle and how that settles with your comments and mine, the input we received today.

>> Councilmember Nguyen: Yeah, that sounds good, okay. Well, I guess we can accept the report, and direct staff to go ahead and incorporate that into the Mayor's Budget Message and then we can hear this item again as part of the Mayor's Budget Message on Tuesday night.

>> Deanna Santana: Okay, thank you.

>> Councilmember Nguyen: Can I get a motion?

>> Councilmember Constant: You admit --

>> Councilmember Oliverio: I admit nothing.

>> Councilmember Constant: Motion.

>> Councilmember Oliverio: Second.

>> Councilmember Nguyen: Okay we have a motion and second to seven the verbal report, all those in favor, opposed hearing none report accepted. We'll move down to 5, annual procurement report and proposed amendments to section 4.12 and 4.16 of the municipal code to streamline procurements and the disposition of surplus personal property.

>> Scott Johnson: Thank you Madam Chair members of the committee, Scott Johnson, director of finance. And I'm also accompanied which Mark Giovanetti, our division manager for the purchasing division in the Finance Department. So we have a brief presentation for you on the procurement report as well as the proposed amendments to the municipal code related to our purchasing practices. So the presentation, it briefly summarizes the procurement report by providing an overview of the past reforms that have been made with recommendations for additional enhancements designed to drive further

process efficiency without sacrificing competition transparency and our internal controls. Along with this report obviously you have a comprehensive staff report that we will be asking this committee to forward to the city council to direct the City Attorney to draft the ordinance. Just by way of background, the current procurement policies were last updated in February of 2007. And this was the result of audit recommendations that were made both by our city internal auditor as well as the Santa Clara County civil grand jury. And those -- we're going to highlight a little bit about the -- those particular reforms that were made in a subsequent slide. And then in 2008, we provided a report to this committee, and the finance department addressed numerous achievements and recommendations, and one of the directions from this committee was to index the contract approval authority for supplies, material and equipment and services, and that particular recommendation is included in our reforms that we'll be discussing today. In addition, along with the beyond budget cuts initiative that the City Manager's office has been working on with various departments throughout the city, we had a citywide brainstorming session which we addressed various ideas to further streamline our procurement processes without sacrificing competition and transparency. And then finally, the finance department is also responsible for the disposition of surplus property. The current threshold for selling and auctioning items is \$400 and we're asking that we update that because that was established in 1994. We're requesting to increase this threshold to \$1,000 and outreach in the similar manner that we do to solicit for bids and proposals. So the key changes to the 2007 procurement ordinance, we thought it was important to talk briefly about those reforms and the impact those reforms have had on the organization. So there are three key reforms that were implemented in 2007. And they are to increase contract approval authority from \$100,000 to \$1 million for supplies and equipment, to increase contract approval authority from \$100,000 to \$250,000 for services, and the implementation of a protest process for all solicitations where they can also appeal their rights to council for procurements that were greater than \$100,000. The impacts are that we have a more efficient use of our purchasing staff time, especially given our budget challenge and the reduction of staff over the last couple years. We have no loss of transparency. There has been no compromise in our internal controls. We've had less than a 2% solicitation protest rate. We have had approximately a 50% reduction in the bid to order cycle time and the programs have been well received by staff and the suppliers. We also, in regards to transparency, we have been providing what we have been calling sunshine reports since 2007. Initially those were shown on the agenda but now we posted them for the public's access onto our intranet site of the purchasing department. And finally I wanted to talk a little bit about our achievements. The administrative policies we've developed published and implemented and some examples are council policy 0-35, conflict of interest policy, a confidentiality policy, and the online RFP manual. These are examples of policies that we have briefly implemented. The e-procurement system has been well received by staff internal departments as well as our suppliers. We have improved our bid exposure in the supplier outreach. We have better transparency. It's easier for suppliers to respond to our bids and to our RFPs, and staff can evaluate quotes online and publish the award online so it provides for much more transparency and greater efficiency. In addition we have expanded our citywide training where we've provided training on the P card program, that's the purchasing card program, the RFP, request for proposal process, the contract writing contract management and these are examples of our citywide trainings that we are offering to assist departments citywide. And then finally we've dedicated small one-off type transactions to department staff through the use of the P card program, that allows our purchasing staff to work on greater volume and more -- more sensitive procurements. So the impact on these changes are the programs have been well received by staff and suppliers, we have consistent quality, we streamline our processes, we have shorter cycle times, we've enhanced our internal controls, we have stronger competition through these processes and reforms, and we have a transparent and open process. Now, Mark Giovanetti is going to talk briefly about the proposed reforms that are in the report that we're requesting that this committee accept and ask that the city council approve through a cross reference through the city council.

>> So currently our protest process is identical for an \$11,000 purchase as it is for a \$1 million purchase with the one exception being that for anything greater than \$100,000, the supplier can appeal staff's decision to council. So what we are looking to do is work with the attorney's office, and for anything considered an informal purchase, that is less than 100,000, just write an administrative policy. So the objective will be to shorten the cycle time because right now it's generally considered to be too long at a minimum of ten days added to the process for these small purchases. So we certainly want to give suppliers enough time to vet their concerns, but again, we'd like to streamline the process. For the delegation of council appointee contract authority, we're recommending keeping it the same as it is for the

next three years, and that is \$250,000 for services and \$1 million for product. In three years we'll adjust it so it will just be indexed to the consumer price index. So presumably everything else being equal, what you're seeing now, the types of purchases, the number of purchases, it's not going to change in three years with the new, you know, with the adjustments. Expand the -- incidental services, that's I think is sort of a quirk in the code. Right now, for example, if we have a \$300,000 product purchase and there are any other services other than freight included in that purchase it has to go to council as a service, when generally, I think the intent of the code that would be \$1 million and subject to the \$1 million product threshold. So we want to expand the definition to include services such as training, configuration, implementation, that are almost always a part of any product purchase or certainly many product purchases have these Services included. It would be capped at 25% of the contract value not to exceed the level, the value for service contracts in effect at the time so right now it would be capped at \$250,000. And then the code right now is written to be singular. So you award to the lowest bidder or the best value proposer. And we just want to expand that to issue multiple awards off one solicitation if it makes sense to do so. The e-procurement tool, this bid sync system that we use, has a reverse auction module, and we'd like a code revision that allows us to do reverse auctions. And I'm not sure if you're familiar with the concept, it's been around, used a lot in the private sector for a good ten years or so. It is the same as an option in an auction would be, the reverse part is you're buying something and it's sort of an -- kind of an enhanced eBay system for a seller and a buyer. Online formal bidding, we have been accepting online quote submissions for informal purchases now since bid sync was implemented in the fall of 2008, I believe. And it's been very well received. Staff can evaluate the quotes very quickly on. Suppliers like it. They can see the quotes as soon as the bid closes all the pricing becomes available and we want to work with the attorney's office to come up with the process that will allow us to do that for purchases greater than \$100,000. And we feel it is going to improve transparency. Because right now for example for a supplier to show up at a public bid opening it might not be very convenient for them to do so. With a virtual process they can sit at their machine and see all the pricing just as soon as the bid closes it's available for them to look at online. A cooperative purchases, right now, the code is written where we can only leverage a cooperative purchase if it was managed by a public agency. And there are nonprofits out there that were organized and act on behalf of public agencies, and we would like the ability to expand the definition of the code to leverage those purchases or those cooperatives when it makes sense to do so. And that Kalifa library group is a perfect example that was cited in the report. Greater flexibility on award factors. Right now the code basically for RFPs it's very specific as to which award factors or what the award factors are. And I believe, let's see here, I can name them real quick if I can find them. On the next -- it's experience, cost, technical capability, and it's not always the case that the award factors would make sense. So subject to approval by the director of finance, we would like the ability to amend those factors and make the factors that are listed in the code right now just examples. And then finally, surplus property, the \$400 threshold where we have to auction surplus property was established 16 years ago, and it's time to bring it up a little bit, that's all. There's not a lot of science behind that one.

>> Scott Johnson: Okay, in summary we're asking that the committee accept this report and recommend to the council to direct the attorney to amend the Muni code for council appointees contract authority for securing of goods and services and unclaimed surplus property and the specific detailed recommendations are included in your report in your packet. And Mark and I are available for any questions that you may have.

>> Councilmember Nguyen: Thank you. Councilmember Constant.

>> Councilmember Constant: So my question is on the unclaimed and surplus personal property, especially in the surplus, is there any reason we shouldn't be looking at just going with all online auctions and not have a regular auctioneer, so we open up our market essentially worldwide and we know that we're getting the highest price the market will bear?

>> The process right now, is that close enough? The process right now, we are using a supplier to act as our auctioneer, and they are posting things on eBay right now. In some instances we'll actually go ahead and come up with a bid document to sell things and we'll put identity on our e-procurement system and sell it that way. It just depends on what it is.

>> Councilmember Constant: Why would we pay someone to put something on eBay when obviously they are making a markup, and I sell stuff on eBay all the time, and I actually make a profit on the shipping of each one of them, as well, because you get to charge what it costs you to ship, not necessarily the actual cost of the shipping. And it just seems like if we were to have a standard practice

that every item you take a quick digital photo and you put it up, you're out to the market. People sell houses online, people sell cars online. I can't see much of anything that we would have that we couldn't sell online. In fact, if we brought all new chairs in here, we could stack up all those chairs and sell a lot of 300 chairs on eBay and be done with it, and we would cut out the middle man. And I know we're probably spending a significant amount of money there.

>> And I can address that. And you're exactly right. We just sold a couple of surplus jet bridges online. And the answer to your question, councilmember, is staff time. We have to take pictures of it, write a description. A lot of times these items are delivered to the auction company in lots. They will break it up into sublots that make sense for auctioning. We can certainly do it with you know the right amount of staff and training. I don't have -- I'm trying to think, it's not a very -- it's not very expensive for them to do it on a transaction by transaction basis. It is a nominal fee in addition to the eBay fee.

>> Councilmember Constant: Do we have any idea what we pay annually in that?

>> Scott Johnson: Councilmember, we can come back to the committee with an info memo on that. You know I think Mark really pointed out it's a matter of staffing and as we're reducing our staff we're looking at ways that we can you know streamline our processes. So this definitely something we can take a look at, look at what we're currently paying and then also look at our available resources, to go -- for us to do that internally.

>> Councilmember Constant: Okay.

>> Councilmember Nguyen: Councilmember Oliverio.

>> Councilmember Oliverio: Thank you. I'd be curious to know just what the number is, at least it's tangible, you know whether it's 14,000 or something else. Related on P cards, did we ever -- I know we have the option of paying early and getting a discount of some kind. But we don't, as most consumers, get miles or points or things that we can do anything else, and we talked about this a year ago. I'm just curious did -- so if I can ask you a specific question. So is there any way of inducement of getting something for our procurement spending as most consumers do?

>> Scott Johnson: Well, we do get -- on the purchase side, we do receive volume discounts. But in regards to our -- the transaction with the bank, that processes our credit cards, through the proposal that we received, we get a reduced, you know, rate that we're paying based on those transactions. But no, we don't -- don't receive air miles and so on.

>> Councilmember Oliverio: And you're just anecdotally, do you believe that discount is better, because I assume even with the recession we still have staff travel that goes to countries to conferences, et cetera, this and that. I'm just curious if that would be -- because I assume there's a large volume we're spending on all these P-cards in a given year. I mean for example if all that added up to free flights or free travel for the council, city staff, council, whatever, whoever's traveling.

>> Scott Johnson: Council I don't believe they offer that feature for this type of, you know, credit card use but we can definitely get back with you on that.

>> Councilmember Oliverio: Maybe when we do our next RFP for P cards whenever that contract is up that could be added. What is that a couple of years from now?

>> Scott Johnson: I don't know.

>> Councilmember Oliverio: Well I'll be here so I'll just ask you about it. [ Laughter ]

>> If I can add, we do analyze the spend. If we see a lot of spending for a particular type of spending or with a particular supplier, we'll put that supplier into contract, we'll get a better price, and still allow the use of the P-card.

>> Councilmember Oliverio: Oh sure, that was more about the aggregate spend. Motion to accept the report with the info memo to follow up on Councilmember Constant's question.

>> Deanna Santana: This is also an item that needs to be cross referenced out.

>> Councilmember Oliverio: Cross reference to the council.

>> Scott Johnson: Council can I also add another part of response to your question? The P-card that we're using this is where we tied into the state contract on their P card so you know we're tied into their particular contract provisions and it's the Los cost we found in regard to P card services.

>> Councilmember Oliverio: Okay so it's not just the city, it's a state contract?

>> Scott Johnson: Yes.

>> Councilmember Oliverio: Thank you for the clarification.

>> Councilmember Nguyen: I have a motion, can I get a second?

>> Councilmember Constant: Second.

>> Councilmember Nguyen: We have a motion and second to accept the report and cross reference to council. All those in favor? Opposed hearing none that's passed. We'll move on to item number 6, semi annual recommendation follow-up report on all outstanding audit recommendations for the six months ending December 31st, 2009.

>> Sharon Erickson: You have before you our report. There were a total of 107 outstanding audit recommendations. This included 55 recommendations that were outstanding the last time we did our audit report and 52 new recommendations from audits issued during this semi annual period. Of the 107 outstanding recommendations, 23 recommendations were implemented, 63 were partly implemented. 35 recommendations in this report had budget impacts. Now, none of those are simple to do. Many require meet-and-confer. But in this report we did call them out. We wanted to call them out early because of the City's budget situation. They will also appear in the proposed operating budget with updates. When we get to that point. But I did just want to highlight those for you in this report. With that I'm happy to answer any questions.

>> Councilmember Nguyen: Okay. Thank you Sharon. Are there any questions or comments from committee members? A lot of work.

>> Councilmember Constant: Move to approve.

>> Councilmember Oliverio: Second.

>> Councilmember Nguyen: Okay we have a motion and second to approve the report. All those in favor, opposed hearing none motion carries thank you. We'll move down to item 7, audit of community center staffing.

>> Sharon Erickson: Thank you. You have before you an audit of community center staffing. Over the last decade, the city has improved public facilities and infrastructure through an expansion of its capital improvement program that's become known as the decade of investment. Unfortunately, shortly after the decade of investment began, the city entered into an extended period of projected budget shortfalls. With this in mind, the Parks, Recreation, and Neighborhood Services department has been actively seeking alternative approaches to managing community center operations by reorganize the community services division. You can actually see some comparison ORG charts on page 8 of the report that shows how they've flattened their organization. They've also reintroduced the facility reuse program. You can see a list in our report on page 9 of those facilities to date. And by undertaking efforts to improve revenue generation, nonetheless, the need for efficient staffing of community centers has never been greater. Building on PRNS's efforts to improve community center --

>> Councilmember Nguyen: Sharon, I'm sorry, I don't mean to interrupt you, but I believe we have to waive the sunshine on this item --

>> Deanna Santana: For the administration's response.

>> Councilmember Nguyen: Oh, okay. Sorry, go ahead and continue.

>> Deanna Santana: She was on time. As usual.

>> Sharon Erickson: Thank you. Building on the efforts of the Parks, Recreation, and Neighborhood Services department, our review on community center staffing identified several areas where additional improvements can be made. First, there are a variety of inputs, we list some of those but you're familiar with those. All the different inputs you have when community center staffing accommodation or community center operations comes up. But we did find that PRNS lacks good data on how to track community center usage. So we have some specific recommendations. We're recommending that PRNS collect and use better -- collect and use better usage and cost data to help drive decision making about which centers to retain. That they use performance indicators to identify trends and facilitate decision making. And that PRNS reexamine its staffing of satellite neighborhood centers in light of the recent expansion of the service area hubs. A lot of these items are also coming before other committees of the council and moving through council as part of the budget process, and other efforts. One of those is the reuse program which was adopted by the city council in April of 2008. Bringing other service providers in to operate city-owned community centers. We did find that PRNS can improve its facility reuse program in a few ways. The first is clarifying required service levels for reuse service providers with multiple sources of city funding. On page 25 of the report we showed an example where the reuse agreement had certain requirements, grant funding also had requirements. They appeared to match up. We're recommending that the language be clarified to make sure that we are not double-paying for those services in one sense but that it's clear whether it's -- we're requesting 25 slots or we're requesting 50 slots or paying for. Second, we're recommending improving cost monitoring and cost sharing at reuse sites. For example we may want to consider having a community organization pay for utilities that gives an incentive to the

organization to be aware of their energy usage. We are recommending that we include Washington United youth center in the facility reuse program. It is currently funded under an operating grant from the department. It actually in our estimation was costing more to operate that way than it would -- than it cost a comparable facility to operate. We are also recommending that we allow or consider allowing for-profit entities to compete for reuse facilities under some sort of a modified reuse arrangement where applicable. We noted in the report that if City of Menlo park has contracted that with a for profit entity for its aquatics program, local Jewish community centers use club 1 to provide services in their centers. So it has been proven to be effective. So long as there's limitations on it and it is clear what the community services that will be provided. Third area of the report is that PRNS can make additional progress towards its cost containment and recovery goals by making greater use of its class registration software. This is new software that's been implemented that we believe could be used to help publicize programs at community centers in an automated way and to limit staff time devoted to scheduling classes that garner little or no interest at community centers. We noted that about 60% of classes didn't have sufficient registration. This could be an area for potential staffing reduction, if we were able to reduce the number of classes scheduled to begin with. Finally, community centers are open limited hours on weekends. That may be the least of our problems, but they're open limited hours on weekends and we believe that by staggering and shifting staff schedules, we could have some improved hours of operation or at least mitigate the impact of further staffing reductions. On page 36, and 37 of the report, we show hours of operation in community centers. You'll notice that they're frequently not open on weekends. And on page 37 you show potential of staggering hours, staggering staff schedules, to try and stretch those hours to weekends. I want to thank the staff at PRNS for their cooperation and assistance during this review. It's a very difficult time for them and it's a difficult subject area. We hope this information is useful to them. I'd also like to thank Avi Yotam from my office and Jorge Oseguera, who has now gone to Sacramento to be city auditor, for their work on this project. With that, I don't know if PRNS would like to make some comments.

>> Councilmember Oliverio: Motion to waive sunshine.

>> Councilmember Constant: Second.

>> Councilmember Nguyen: We have a motion and second to waive sunshine. All those in favor?

>> Councilmember Constant: Although I have to say I never got the administrative response in my packet, so.

>> Councilmember Nguyen: I'll give you mine. Julie.

>> Yes, Madam Chair, thank you. Julie Edmonds-Mares, assistant director of Parks, Recreation, and Neighborhood Services and I'm joined by Angel Rios, deputy director of our recreation division. We also wanted to express our gratitude. In PRNS we have many challenges as is outlined in the report with the expanding structure and diminishing staff resources. We're looking for anyone to help with great ideas on how to be more efficient and effective. And the auditor's office did a great job in working with us in providing some very specific areas where we can make improvements. By and large we agree with all the recommendations of the report. Some of the recommendations would require fiscal resources to implement and therefore could be a challenge because of the fiscal challenges. So some of the recommendations we would envision reviewing after the next budget cycle to see if they would be able to implement them. So with that thank you.

>> Councilmember Nguyen: Thank you. I have a couple of questions, but I'm going to let Councilmember Constant go first since he has to leave early.

>> Councilmember Constant: Yeah, thanks, sorry I have to leave. I just have a question on page 28, the Washington center versus the Alum Rock center. It seems to me, that it's not necessarily the who's operating it, it's the FTEs associated with it. Double the FTEs. Is that the only driving cost difference? I mean there's a small amount with the revenue. But it seems that the FTEs seem to be the biggest budget item that's causing that. So are we talking about the CBO's FTEs there?

>> Yes, councilmember, that's exactly the -- the largest cost or expense for running Washington United youth center is the FTE expense.

>> Councilmember Constant: And do we know why it takes them two people to one of ours to provide similar services?

>> Well, the Washington area is a very high-demand area. And so there's a real need and a real -- there's basically lot of need in the area that needs to be addressed and so the organization that currently holds this contract basically have responded by, when asked this question with an answer that speaks to the need for having more staff available because of not only the provision of services but also the safety

involved with providing that service in this specific community. And so, they've claimed that they need more staff.

>> Councilmember Constant: Personally I think that's where the root of the problem is. Because I'm assuming that a unit of operation, whatever it is, unit attendance means a person, right? So the attendance numbers seem to be very similar. I mean, there's only 300 more people which is less than, I don't know, what is that, 7% or something like that? Okay, I just wanted to make sure I was understanding the chart properly. Again, what I like about the audits is most of the time, the administration agrees because we're really finding true efficiencies, but not really saying you're doing things wrong but how you can do it more right. It's the way we present the audits. So thanks.

>> Councilmember Nguyen: Thank you. Couple questions. Currently, how do we track the number of attendees or community members who actually visit, you know, the 55 community centers that we have in the city? Because part of the reasons why we implemented the RFP for the facility reuse program was because we felt that certain community centers are not being utilized by our residents. And so I was just wondering if Beth can speak to how -- what methodology do we use in terms of tracking the numbers of people that actually attend these community centers?

>> Yes, councilmember, right now, the system we use relies heavily on just counting those individuals that are officially signed up for a program, namely our fee activity programs. The downside to that is that we only capture then those kind of formal classes that are provided by the city, and we fail then to count those community members come in for information referral, come in to maybe just sit in the lobby, come in to just maybe drop into a program here and there so we end up not capturing a significant number of attendees. We have gotten somewhat better with the implementation of our new rec system because now we are able to register folks online and capture that segment of the population that comes in. The challenge of course is with so many community centers, with so many ways to get in and out it's really really impossible to really count everybody that comes in and out of that facility. We're encouraged by our more recent facilities in that there's one or two points of entry. So they lend themselves to the counters that are outlined here in this report so we're hopeful that we're going to be able to more intentionally capture a better picture of those that come in and out of our community centers.

>> Councilmember Nguyen: Yeah, and I absolutely agree with you. I raised this question because some of the community centers in my council district, obviously these community centers serve low income families, a few from low income neighborhoods and so it's not as organized or structured as some of the more affluent community centers are in our city so it's just really difficult to track people. Because first of all they don't sign up for the programs. There's not enough programs at these community centers to cater to their needs so sometimes just a drop-in center and people just use that as a way to socialize with other people especially among seniors. But you know because of our criteria or methodologies in terms of putting these community centers on the reuse list I just think that it's a little bit -- it's a challenge for us to you know come to conclusion to term with well we should consider some these community centers especially on the Eastside to be placed on the reuse list because we can't track enough and we can't quantify enough people to utilize these community centers. That's the challenge we face and we need to come up with some kind of methodology to address that because in my person opinion I think community centers sort of you know resemble a place where people come to hang out and socialize with other folks. It's not necessarily where we have to have structured or organized programs for people to sign up for. So as we move forward, I just wanted staff to really consider that point. Because, you know, for example the Alma community center we have every time I go out there we have at least 50 seniors out there every day. And so -- and this is definitely one of the centers that are being considered for closure, at the end of the year. And so you know when you're looking at a community center like that catering to that many people on any given day, I just think that we just need to take into consideration some of the criteria that we have used in the past in consideration of closure.

>> Okay.

>> Councilmember Nguyen: And then the other question I had was I think on page somewhere in the staff report it talks about the total cost for the Alma community center. And I remember a couple months ago I asked for an information memo to come back to look at the actual cost. And what I got back was for the total cost to operate this site, was \$401,000 and in the report it says \$95,000. And I was just wondering why is this such a huge discrepancy between the numbers that's outlined in the audit report versus what I received from PRNS? I can't seem to find the page number.

>> Chairwoman, I believe the number you're referring to on page 26, it's about \$95,000 because it only covers utilities, maintenance and custodial. It doesn't factor in the cost of staff at the site, city staff at the site.

>> Councilmember Nguyen: Got it, thank you. Those are all the questions I had. I just wanted to thank the City Auditor's office for such a wonderful job on this report. I mean, it's coming up with different ways on how to run our centers more efficient, you know, as we're moving forward with the RFP process on the facility reuse program. And so I just wanted to thank also, PRNS staff for your cooperation in working with the City Auditor's office. Councilmember Chu.

>> Councilmember Chu: Thank you, Madam Chair. Thanks again for this great audit. Specifically like the recommendation of number 12. So we open up the reuse policy to create a new policy to allow for participation of for-profit organization not knowing how complex and complicated this issue may be, obviously the date that we will be able to even consider the assessment of the incorporating this policy was winter of 2011. I mean, is it -- can we move that date a little bit up, so we can start generating some revenues for the city?

>> Yes, councilmember, staff is actually currently convening a working group to actually take a look at our entire facility reuse strategy. And really assessing the pros and cons of moving this direction you know around nonprofit, for profit. One of the reasons why the for profit sector was omitted initially was, really, based on the council direction we received and the community feedback that we received around these services needed to be provided needed to be free or very low cost. And at that point when we did the cost recovery assessment, in order for this to be worth while for a for profit, they would need to charge a market rate, and so initially that's the route we went. However, now given the whole budget situation, clearly this is a great opportunity to reassess our whole strategy including looking at options that would include too for-profit sector. So we quill be doing that to the extent that we could get traction on that sooner than later we could potentially move that date up.

>> Councilmember Nguyen: Anyone else? Councilmember Oliverio?

>> Councilmember Oliverio: Thank you chair. It would appear there's some cost savings though when it comes to maintenance and custodial as an overall aggregate for the community center program if it was delivered in a different model, one that some of the councilmember might not like, but that there could be cost savings and actually put that cost into services to the residents. Does the auditor see that potential?

>> Sharon Erickson: To the extent and we did -- there also is a recommendation in here to consider some kind of a sliding scale. So right now you either pay, it's either all or nothing. You either get the facility basically for free or not. If we're going to bring in for profits we don't necessarily want to give them the facility for free. We don't want it necessarily to pay their -- we don't want to provide custodial or utility costs. So we do think that there is some room there for a sliding scale. It will depend, I mean, the reuse program was developed in concert with community based organizations who felt they didn't have the funding to pay for that. So in order to swing the deal and get them on board we had to make certain concessions. We would be hopeful that there are opportunities in the future so yes you are correct if we can do some sort of a sliding scale it's possible we wouldn't have to pick up the cost for all of those facilities.

>> Councilmember Oliverio: Or allow them the flexibility to keep it clean, and however you do it doesn't really make a difference to us?

>> Sharon Erickson: Correct.

>> Councilmember Oliverio: Motion to accept the report and cross reference for city council.

>> Councilmember Chu: Second.

>> Councilmember Nguyen: Thank you. We have a motion and second to accept the report. All those in favor? Opposed hearing none motion carries thank you. We'll move down to item 8 auditor review and validation of sewer line cleaning performance and cost data.

>> Sharon Erickson: This is actually a pretty simple item I hope. In November of 2009 the Department of Transportation requested my office to review and validate baseline information relating to performance and cost associated with the sanitary sewer line cleaning program. Based on our review, we felt D.O.T.'s suggested performance and cost measures met the criteria for being meaningful, useful and sustainable. In addition, based on a review of each measure's methodology and the sampling and testing of the underlying data for each measure, the auditor's office verified the accuracy of DOT's revised baseline performance measures and cost for 07-08 and 08-09. This is a simple format that we'd like to propose to you to use with other departments as they come forward. To just simply verify performance information as they come through and it's a relatively quick project for us. I think it's useful for staff, in this

case, who are entering into a plan for a high performing work team. And I didn't -- if D.O.T. has anything to respond. Otherwise because it was on our work plan I put a cover memo and bringing it forward to you just so you're aware of away we're doing.

>> Councilmember Nguyen: Okay well thank you. Thank you D.O.T. for your participation. Can I get a motion?

>> Councilmember Chu: Yes, move to accept the auditor's review.

>> Councilmember Oliverio: Second.

>> Councilmember Nguyen: We have a motion and second to accept the report. All those in favor, opposed hearing none motion carries. Thank you Sharon. Move down to the open forum. Do we have anyone in the audience who wishes to speak on anything that is not on the agenda today? No? The meeting's adjourned. Thank you.