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>> Councilmember Chirco: City of San José Rules and Open Government Committee. Agenda Item 3, June 2nd council meeting. Page 1, 2 and 3, 4 and 5. 5 and 6 -- I'm sorry, 6 and 7.

>> Madam Chair, on Item 2.11, the amended agenda will reflect that this item is dropped and we'll refer this item to the June 9th agenda.

>> Councilmember Chirco: Okay.

>> We're going to bring it back, with a new recommendation.

>> Councilmember Chirco: Thank you. Page 8 and 9. 10 and 11. 12 and 13.

>> On item 3.5, oh, wow! 3.57, the audit of the police department auto theft unit, we're going to cross reference that out of committee for the full council.

>> Councilmember Chirco: Item 3.5, item 7, will be cross referenced to the full council. Page 14 and 15. 16 and 17.

>> And item 5.5, on the amended agenda, we'll note to be heard in the evening. This is the neighborhood program policy options.

>> City Attorney Doyle: Madam vice mayor, on item 4.5, this is the sign ordinance on Capitol. The ordinance on this item does not meet the sunshine requirements. We were four days late in getting it out, and that's due in large part to the fact that this will comport with what we did on Stevens Creek. And because the changes to the Stevens Creek ordinance came at the council meeting, we didn't get the turnaround done fast enough for this ordinance. So it's out there, it's been out there, the memo was out in plenty of time, but just we'd ask for a waiver of the sunshine requirements on the actual ordinance.

>> Councilmember Chirco: That was my question. Do we need a waiver for this item?

>> City Attorney Doyle: Yes.

>> Councilmember Chirco: Okay. Can we include it as part of the motion, or do we need a separate motion?

>> City Attorney Doyle: You can do it as part of the motion.

>> Councilmember Chirco: Okay, page 18 and 19. Page 20 and 21? Page 22 and 23? It must be June. And then we have some additions.

>> Lee Price: Vice Mayor, if I could, I just want to note on the actions relating to the community resource fair, item C, adoption of appropriations ordinances will not be necessary, we'll be doing that as part of a cleanup so recommendation C will drop off.

>> Councilmember Chirco: Okay. Anything else for this agenda?

>> Councilmember Pyle: Madam Chair, per Mayor Reed's recommendation, I think item 3.1A, the compensation and benefits for management employees in unit 99 be deferred.

>> Councilmember Chirco: I know we've got some speakers on this item. Maybe we could take public comment to respect the people who have come to speak to this. And so why don't we take the comment before we have a motion on the agenda. So I have six speakers. Are they all on 3.1? As I call you up, if I could -- two minutes per speaker, come up and identify yourself. First speaker is Michael Grove who will be followed by Brian Doyle.

>> Good afternoon. I'm Michael Grove. City attorney's office. Should I try to turn this thing on?

>> Councilmember Chirco: I think it's a good idea. You can raise it a little bit, too.

>> There we go, it's working. You probably don't need this anyway.

>> Councilmember Chirco: We're recording and televising, so --

>> I've been with the city attorney's office for -- this will be the 20th year. And throughout that time, the relationship between the city attorneys and the council and the unit 99 with the help of Mr. Gurza has been good. There have been people who have thought over the years, well, this should be a union, there have been discussions about having a union. But the majority have always felt, why do that? Why involve the complications, when our client is the person we would sort of have a union to deal with. And people just thought it was unnecessary, in light of the open dialogue and the respect that went back and forth. But the memo of May 19th, 2009 I think has changed the mood. And we don't know how serious people are about this, but it's something that we need to discuss briefly, at least, particularly the way that it was done. Not only is it the ramifications of sort of destroying our family health care and further reducing our wages which we already volunteered to have various take aways in this regard, very disturbing, but it's more the manner in which it was done. We had no notice, we got this on a Thursday, before a three-day weekend, in fact I don't think we really saw it until the Friday morning. Whether that was purposeful or not, I have no idea. No sunshine considerations involved in this. It ended up being attached to a council wage or council salary consideration, which was -- had gone on for months with public hearings, a study, et cetera, none of that involved in this, in this very profound and disturbing proposal in the May 19th memo. And by the way, we see that in the at least printed agendas here, the withdrawal of support by Councilmember Liccardo is not in here. So that's something that we'd like to make sure is put into the packets.

>> Councilmember Chirco: Michael, that was two minutes.

>> Okay. Rather than deferring this, it should simply be dropped.

>> Councilmember Chirco: Thank you, Michael.

>> And a rational dialogue should take place as it always has previously. Thank you.

>> Councilmember Chirco: The next speaker is Brian Doyle, two minutes please.

>> My name is Brian Doyle, I've been with the city attorney's office for 18 years. We have had a very good relationship with the police department, the fire department, the council, our peers in unit 99. And I agree with Mr. Grove that this has really driven a wedge between city employees. And it certainly feels like it's driven a knife our backs at the unit 99. I concur with Mr. Grove's request to simply drop this, to take it off the agenda. There's no reason for it to be on the agenda. There's not enough time to deal with the issue. This is no way to solve a structural deficit problem that is in large part created by the economic demands of the police and fire labor unions. You don't go to one employee group to make another employee group richer. That's the wrong way to go here. And we don't want to be put in that situation. We've already made sacrifices. We have made sacrifices. The taxpayers should know that the attorneys in the attorney's office are taking a cut already, before you even got to us. And don't -- don't put us in a position of talking to the taxpayers about that, and talking to the taxpayers about what other people are making or who makes too much money around here. Because we know how to have that debate, but we don't want to be put in that situation. It's not right for us. Don't divide us. Don't divide the city employees like this. And please, don't take away my children's health care to pay for police horses. What is that? What does that tell me? What does that tell me about your values, and your values towards my family? Don't double my pay cut to give police officers and firefighters a raise. What is that? You know, I -- I really do believe that this debate needs to be ended right now. The discussion needs to be ended now. We need to go back to our respective corners and have a reasonable discussion of what will solve the problem. But this certainly will not solve the problem. Thank you.

>> Councilmember Chirco: Thank you, Mr. Doyle. Shannon Mendoza is our next speaker.

>> Vice Mayor, I also work with the city attorney's office. I've been there eight years. I'm employee number 1372 on the list of salaries in the city. There are 1371 people that make more than I do, most of which are police and

fire. I agree with everything Mr. Doyle and Mr. Grove have said. And I just want to deal primarily with the part of the proposal I find most offensive, which is the takeaway of the family health insurance. The difference between the City's portion of the lowest cost single coverage insurance plan and the current family plan available to unit 99 employees is \$299.13 per paycheck. Taking away the family health benefit from unit 99 is not just in bad faith but would result in an approximate \$600 per month reduction in the salaries of those unit 99 members who elect health insurance for their spouses and their children. The result would be a \$7200 a year reduction, an additional 7 to 8% salary reduction for those with family coverage. If you add that to the 3.75% proposal of Councilmember Constant and the 2.5% the attorneys have already agreed to, that would be a 13.25% reduction in salaries just for those with family coverage. It's fundamentally unfair to ask a small group of nonunion employees to bear the burden. Does the City really want to be the kind of employer that encourages working parents -- or discourages working parents from applying to the City of San José? This proposal would serve as a disincentive for qualified attorneys to apply to the City in the future. Unless all employees in the city making over \$90,000 a year, including police and fire, were asked to bear this same burden, this recommendation is both disingenuous, unfair, and a slap in the face to those of us who chose city service primarily with the promise that we'd have these benefits in exchange for higher salaries and other benefits elsewhere. Thank you.

>> Councilmember Chirco: Thank you. Jennifer -- I'm sorry, I can't pronounce your last --

>> Pousho.

>> Councilmember Chirco: Pousho?

>> Pousho, yes.

>> Councilmember Chirco: Welcome.

>> Good afternoon, councilmembers. My name is Jennifer Pousho. I'm a deputy City Attorney. I have been for the past seven and a half years. The point I'd like to emphasize with the council are the offers that we have already put on the table as part of the 2009-2010 budget proposals. Councilmember Constant said in his May 19th memo that senior management should lead by example and take a 3.75% pay cut as well as a significant reduction in our medical benefits, which will have serious consequences for the well-being of our families. I'd like to remind the council that the city attorney's office has already answered the call to lead by example. The city attorney's office has been one, if not the first employee group who has voluntarily offered to reduce benefits and salaries without ever having been asked to or told to do so, as part of the budget process. The benefits that will be given up include \$1,000 per attorney in PDP funds which we use every year to pay for the mandatory continuing education requirements that are needed to maintain our bar licenses. Any cost of living increase, any merit increase, and the permanent elimination of four positions in our office including two attorney positions. We have also offered to take six days of unpaid furlough which will result in a 2.5% wage reduction. This 2.5% wage reduction combined with the additional three quarters of a percent that will be -- that we will be contributing towards the shortfall in retiree health care benefits means that our salaries will be reduced by 3.25% beginning on July 1st. It should be noted that many of the attorneys in our office make less than the average management salary of \$127,324. And that for those who are making less, the salary reduction of 3.25% in this economy will be definitely felt. If we're compelled to take an additional 7 to 9% reduction in pay as suggested by Councilmember Constant the result will be devastating. As you can see, we have been continuing to be willing to do our fair share --

>> Councilmember Chirco: Thank you very much.

>> Thank you.

>> Councilmember Chirco: Thank you. Daisy. Welcome.

>> Good afternoon. I'm Daisy Nishigaya, Deputy City Attorney. The point I want you to know is that as city attorneys, we are an extension of law enforcement. Our job is to protect the citizens of the City of San Jose, and we do that by eradicating gangs. I do that by enforcing code enforcement and make living conditions habitable in the community. I help regulate the card rooms. I work with the police every day when they are sued by the

citizens. I protect the City's purse and the City's finances by the thousands of lawsuits that are filed against the city. I enforce the regulatory citations that the police spend months investigating and getting evidence against individuals and businesses that are acting and operating illegally in the city. I enforce administrative citations and close illegal massage parlors, prostitution rings. I work to enforce the San José Municipal Code. I'm in criminal court, and when the police have done a month-long investigation on the towing companies, they ask me to enforce the codes. I'm there, and I enforce the codes and prevent the citizens from being taken advantage of by unscrupulous businesses. I work with nonprofit organizations where their executive directors have stolen money from the elderly in this community and have taken the money illegally from the city. I enforce when people make false claims against the city, which happens. We sue them for fraud in civil court. We collect money on judgments. People who owe judgments to the city. I am an extension of law enforcement. That's what we do. We are guardians for the city. So it's not attorneys versus police. We are an extension of the police. We provide a critical function to this city. And we -- we feel like we -- that this is just -- this is not right. Please end this now.

>> Councilmember Chirco: Thank you, Daisy. And our final speaker is David Wall on this item.

>> Hi. This is a catastrophic mistake. It's one thing to sit in judgment of people and to say that you're for the public's trust. But to have a fundamental nonworking, nonsensical position to not understand what the attorneys do, and that you cannot find any group of people to substitute for them, for what they have to put up with, not only from the councils, previous councils, overlapping councils, but their dedication to this city. And to think that you can take away their benefits and to have them go quietly into whatever corner they are, is not only a grave mistake, but let us reinforce the word catastrophic, because without them, the city would lapse. Would collapse. And there's nobody that supports the police greater than me. There's nobody that take care of what these people do in their excluded chambers at the highest order of the protection of our society. They are worth more money. And most much all, why isn't there structured funding mechanisms to prevent this from ever happening in the first place? These are very simple financial calculations. And I would say if afforded all the budget documents in the city, I could easily find the money to pay for this, easily. But what you don't get and what bothers me greatly is that these folks had to take time out to come here before you. And they represent all the rest of the attorneys. And it galls me, not personally, mind you, but the fundamental aspect the councilmembers said, don't understand city operations. That should be a prerequisite before even applying for the job, in my opinion. Do not -- please take this off the agenda. Talk about this at some other time. Do not put it on any kind of agenda any time soon. Obey them, their request, rather, without them -- and Pete, let me tell you something --

>> Councilmember Chirco: Excuse me, sir, your two minutes are up. Thank you very much, Mr. Wall. Nancy.

>> Councilmember Pyle: Madam Chair, in light of testimony and my own personal feelings which I've been trying really hard to control, I would like to rescind my further -- my motion to defer, and rather, make the motion to drop, for the following reasons: Number one, this is intensely discriminatory. This is dropping an extra load of -- taking away privileges from one group, to the -- in lieu of others. They've already agreed to more provisions to help with the budget than I think any group so far. The six furlough days alone are absolutely apaying. This leads to a tremendous morale issue. And I wish you could see. I wish I had it before me today to show to you. If you looked at that time Bay Area comps, and you looked at San Diego and you looked at Oakland and you looked at the major -- the top 10 cities in the State of California, you would see that San Diego's -- the number of people that get sued here, or the amount of lawsuits that we lose, is extremely low. Far lower than anyone else. These are hard-working people who have already taken some pretty Draconian cuts in the past. I think this lacks respect for a group that has been pointed out to be an arm of the San José police department. They help to protect the city every bit as much as any of the rest of us, including the police officers. This is also circumventing the budget process. This was an idea. Four other colleagues and myself came up with three pages, four pages worth of ideas. We are not about to end-run and bring it before Rules and Open Government in order to push it through. This needs to be -- anything needs to be handled in the normal budget process. And I'd also like to stress the word "voluntary." What are cuts are being asked or whatever actions are being asked from any of our members of our working group, needs to be exactly that: Voluntary. So with that in mind, and I certainly don't want to pit one group against another in any way, shape or form, could this not be a hit of between 600 to \$1,000 a month exclusive of the six days? That's what my figures show me. And that's a huge hit, with a very, very short notice. I think it's absolutely Draconian and I would like to put out the motion to drop this from the agenda.

>> Councilmember Constant: Don't look to me for a second. But I do have comments, if and when you get a second.

>> Councilmember Chirco: I'd like to ask the City Attorney, am I permitted to second this motion?

>> City Attorney Doyle: Yes, the chair is permitted to either make or second the motion.

>> Councilmember Chirco: I would like to second the motion.

>> Councilmember Constant: Okay. First of all, this is not outside of the budget process. Because if you look at the budget process, it talks about BDs that go to the mayor for suggestions to go into the budget message. Wages and working conditions don't go through that. The only way to deal with that is direction of the City Manager. There was no violation of any sunshine as was pro claimed by some of the members of the city attorney's office, because it followed the regular process of -- for being put on an agenda, just like any other item. First of all, the job of a city is to provide services to the residents. I contend, and I've had this discussion with Rick Doyle and others, that a furlough by a group of exempt employees is counterproductive. Because exempt employees aren't paid for a 40-hour work week like the rest of our employees. Unit 99 are all exempt employees. A furlough simply reduces the amount of time they have to get the same workload done. It has implications to our retirement system. There are a lot of issues in a furlough. There were allegations that this is a reduction to one group to give a raise to the police department. That's completely inaccurate and you know that. There is nothing in my memo that gives a raise to the police department. It merely works to restore essential core city services to the public, the people that we all here are supposed to be working for. And there are a lot -- there's a lot of work that we have to do to restore services to the city. And I think that just like the memo, which was -- is forward for the council salary-setting, I think it's incumbent for those who lead an organization to lead by example. I think it needs to be meaningful, and we need to be able to have the discussion, and the discussion for this to take place is in a council session, I believe. So I don't support the drop, at all. I do support the deferral, at the mayor's request. And those are my comments. I'll get into more detail when we actually hear the item.

>> Councilmember Chirco: Okay. We have a motion and a second. All those in favor? Oh, now, this is just on 3.1.

>> Councilmember Pyle: Yes.

>> Councilmember Chirco: This is just on 3.1. All those in favor? [ayes]

>> Councilmember Chirco: All those opposed?

>> Councilmember Constant: Aye.

>> Councilmember Chirco: That motion passes with a 2 to 1.

>> Councilmember Constant: Doesn't it take 3 for a motion to pass?

>> City Attorney Doyle: It's majority of those present. It's not like a city council meeting. The city council meeting is required to have six votes because the charter says so. This is Robert's rules.

>> Councilmember Chirco: Could I have a motion to the agenda and the additions to the agenda and the amendment as noted?

>> Councilmember Pyle: Move to approve.

>> Councilmember Constant: Second.

>> Councilmember Chirco: I have a motion to approve the June 2nd agenda and the additions. All those in favor? [ayes]

>> Councilmember Chirco: All those opposed? That motion carries.

>> Councilmember Constant: I assume that covers the parking authority. We didn't really go over page 24.

>> Councilmember Chirco: I am so sorry.

>> Councilmember Constant: Okay.

>> Councilmember Chirco: Can we just make that motion cover the parking authority? (inaudible)

>> Councilmember Chirco: The next item is apparently the June 9th city council agenda.

>> Councilmember Constant: Before we go on did we have any time-certain?

>> Councilmember Chirco: Thank you very much. Do we have any time certain on the June 2nd? Thank you, Pete.

>> Councilmember Constant: We have evening items. I don't think --

>> Councilmember Chirco: At 22 pages, one would think we might.

>> There's -- we have two evening items on the regular agenda, aside from the public hearing. What I would suggest is that we work with the mayor's office on sequencing, because the one item which I anticipate a large crowd for would be the public intoxication task force report. And so we will need to work out what's the sequence for items to be heard in that evening.

>> Councilmember Chirco: Okay, so you'll work with the mayor's office for sequencing.

>> Councilmember Constant: Will that give people enough notice, though, being that we're less than a week away? And you know, I understand the need to work with them. But it may be a couple of days and people have almost no notice if we're taking things out of order doing a time-certain.

>> Well, I can share with you that the items that I anticipate speakers for, I anticipate for 11.3, there will be speakers on that item. Other than that, I don't have a gauge for 11.2 or 11.4.

>> Councilmember Constant: I would just suggest, if we're not going to do a time-certain today that we stick with no time-certain so people know. Because people may see the agenda, and --

>> My only suggestion would be that if there is a time-certain, the one item that would probably need a time-certain is the public intoxication task force report-out. And just given the anticipated speakers for 11.3, the review of the consent calendar, the -- if the Rules Committee would like to note, maybe not to be heard before 7:30, so that we can allow for the additional items on the agenda to be heard, if time permits. And then we'll move on to the task force report.

>> Councilmember Chirco: I'm inclined to agree with Councilmember Constant.

>> That's fine.

>> Councilmember Chirco: Go with no time-certain because it looks like fairly short, maybe three or four speakers, rather than to set a time-certain.

>> Okay, that's fine, too.

>> Lee Price: And the good news is, is that this agenda has showed this item to be heard in the evening, from the get-go, so people know it will be heard in the evening as opposed to the afternoon .

>> Councilmember Chirco: Okay, the June 9th city council agenda. Page 1? Page 2 and 3? Page 4 and 5? Page 6 and 7? Page 8 and 9?

>> Madam Chair, on item 4.2, this item was scheduled to go out yesterday. We did put a note on the early distribution packet that it would be distributed separately. Our goal is to get it out today, but it may be tomorrow and so we would request a sunshine waiver on item 4.2 to proceed to the June 9th agenda.

>> Councilmember Chirco: And whenever we discuss that I like to look to the City Attorney to see if that's appropriate.

>> City Attorney Doyle: Yes.

>> Councilmember Chirco: Okay. Page 10 and 11. And going on, there is no 12. Okay, there is some additions. And if there are no questions, if I could have a motion.

>> Councilmember Pyle: Move to approve.

>> Councilmember Constant: We need a motion for sunshine and a motion to approve as amended with that.

>> Councilmember Pyle: As amended, yes, should cover it.

>> Councilmember Chirco: So Mr. City Attorney do we need two motions or can we do it in one?

>> City Attorney Doyle: You can do it all in one as part of the overall motion.

>> Councilmember Chirco: Okay, so we have a motion and second for the June 9th agenda as amended and the additions as noted.

>> I'd just like to reference item 3.2 A, I'm not certain whether the Rules Committee is going to hear that request separate. We did have some concerns about the request. On the agenda, the Rules Committee agenda.

>> Oh, I'm sorry.

>> Lee Price: 3.2A, Councilmember Constant's deferred maintenance.

>> Councilmember Constant: The request was for a council discussion and presentation on the item.

>> Councilmember Chirco: On the deferred infrastructure maintenance fees?

>> Councilmember Constant: Yes.

>> Councilmember Chirco: I didn't have any paper on that. Is there paper?

>> Lee Price: Actually, it went out in the packet with this agenda on Friday.

>> Councilmember Constant: I have one here if you like.

>> Lee Price: Yeah, I do, too.

>> Councilmember Chirco: Do you want to speak on that?

>> Councilmember Constant: Yeah, I've made comments multiple times on this. With the infrastructure backlog that we continue to face and the fact that we always have that little footnote of the one-time needs of a half a billion needed for infrastructure maintenance, it's been a while since we've had a full discussion over this. And in order for us to make a truly informed budget decision as we move up to the budget, that we should get an update on what the overall infrastructure backlog is, not only on our streets and roadways, but our sewer system, our

storm drain system, the water pollution control plant. How much funding we would need to stay at a null, in other words, not go backwards nor forwards. How much it would increase if we just do the token \$5.9 million annual commitment that we have in our five-year projections. And being mindful of the needs we need over the ten years, particularly as it relates to the water pollution control plant, so that we can have kind of a holistic view of what's going on in our deferred infrastructure maintenance so that it stays on the radar and it's something that we're continually discussing.

>> Councilmember Chirco: Nancy.

>> Councilmember Pyle: In light of the fact that the June 9th meeting is going to be pretty heavy-duty, I'd like to ask this question, Pete. Have you asked any of these questions of the City Manager?

>> Councilmember Constant: Yes, in fact seven different times it's been brought up during budget study sessions and other public meetings to have this information provided. I think it's something in my own mind, I think it should have been a separate study session. I've expressed that. I think it's something that we need to have the discussion. If not for our own education, for the public to be fully aware of the budget actions we're taking and how our needs of the last ten years that we haven't met our commitment to, and the needs for the next ten years. Because this could balloon to a multibillion dollar expense if it's not addressed in some fashion. And I'm not saying we have to come to a decision on a funding plan, or an amortization schedule, so to speak. But to keep the consciousness up and make sure that we are continuing to look at this, and it doesn't fall on the back burner and become a deferred budget item.

>> Councilmember Chirco: I just have a -- I have a concern. One is that how much time it takes to assemble this kind of information. And the second is, June 9th, as we move through June, I understand where you're coming from, that this is definitely part of our budget. At this kind of 11th hour, the demands on the staff pulling together the information needed just for the June council meetings, I'd like to ask City Manager if -- if this seems reasonable or unreasonable to come back reflection week with a time frame to present -- gather this kind of information. I know we have the data. It's just pulling it together. But do you have the staff and the time to do that by June 9th? That's only two weeks out.

>> Part of my concern that there are two levels. The first is just the agenda process. Everything for June 9th, in order to meet sunshine, is required to go out on Friday. So we -- and reports administratively were done last Monday. So to produce the detailed report that's requested in the councilmember's memo would leave us tomorrow to pull that report. But you are correct in that we have issued previous reports on the infrastructure backlog. And so if the Rules Committee were to put this on the June 9th agenda, what my suggestion would be that we just recirculate previously distributed memos. I can share that there was a comprehensive report that went to council in October 2007, and an update on the infrastructure backlog that came on -- came in October 2008. And we do have an info memo that we are in process of reviewing that's an annual info memo that describes the transportation infrastructure backlog. So there would be some information for the council to consider. But that would only respond to the first bullet. The second two bullets would require some research, would require some additional dialogue with the committee to understand more particularly the third bullet, which is fairly broad. And we'd like to hear more about what the -- what the exact request is under item 3. I'd also like to note that the reference to the structural deficit eliminate plan, there is a \$5.9 million funding suggestion. However, the funding has not been committed. So we would need some time to explore if the funding were to be committed by the council, how we would apply that funding. With that, I have Katy and Ashwini if there are any additional questions by them or any additional comment. But getting something out by Friday would present a challenge and we would need to explore more through a workload assessment possibly bullets 2 and 3.

>> Councilmember Constant: And I just wanted to point out that this memo was put out 12 days ago, well in advance so that it wouldn't be a surprise to anyone. And that coupled with the multiple public requests in meetings to have this discussion, I do think it needs to go forward. And the budget process is finite. You put it off, and it's of no use in this budget cycle.

>> I have to apologize. I had not seen this memo. Deb and Ed are both out this week, and so it came to my attention on Friday or over the weekend. And so --

>> Councilmember Chirco: I can't disagree with Councilmember Constant. My concern is that you know, you talk about workload. And I am more inclined to -- and I realize we can analyze things to death, but I'd like to request a workload assessment, and bring that back next week, when the mayor is here, and we could have -- you know, because we could bring it back before the end of June then. My concern is just kind of the workload we've put on the staff with reduced staffing and increased demands.

>> Councilmember Constant: So let's talk about how that would play out. If we come back next week and ask for a workload assessment, and then it gets agendaized, and then you have to come back the number of days, it won't be done by the time we vote on the budget, nor will it be done by the time we have the final public hearing on the budget. These are, as I say, it's a finite process. If it's not going to be done the 9th, it's just not going to get done in time to have any meaningful discussion in this budget process. And I'm sure anyone who wants to go back and watch the tapes of the videos from our meetings, I requested this in a budget session multiple times. It's not a surprise to anybody.

>> Councilmember Chirco: Well, I don't know that it's a surprise to anybody. We've been talking deficit forever and structural deficit even longer. But I also -- I'm sensitive to the fact we're heading into June, which is next week. We're getting -- closing in on our budget. I don't think this is a bad document. I think we always need to keep it as a backdrop to our financial planning and strategies. I don't think it's ever bad to look at it. My concern is, are we being thoughtful in word, action and deed? And I'm trying to remember, you know, I've always heard structural deficit. My concern is, rushing to get something out when there's things that we need today, or yesterday. And there are documents as Deanna said. But then there's a couple of other questions that she would need clarification on. So I still would like to see a workload analysis. Not to not do this, but maybe just not in the time frame to get it here by June 9th.

>> Councilmember Constant: Well let me make one final comment and the committee can do as the committee sees fit. I agree with your comment that it's often been a backdrop, and deferred infrastructure maintenance needs to be in the spotlight. It's far too often been in a footnote and it needs to be in a headline. These are serious issues that are facing our city and we're not facing them head-on and we need to have the discussion. And you know, we can go ahead and go with the process, as you see fit, and we'll take a vote. And it will be too late to have any meaningful discussion in this budget process. I think we'll do the citizens of San José a big disservice by not having that discussion. That's my final comment.

>> Councilmember Chirco: So I would like to make a motion which is to bring it back next week with a workload assessment. The question that you need clarification on, so that -- because this is a worthy project and we do need to understand and really use that, not just as a backdrop but to have it with us all the time as we go through even our mid year budget adjustments. So that would be my motion.

>> Councilmember Pyle: Second.

>> Councilmember Chirco: All those in favor? [ayes]

>> Councilmember Chirco: All those opposed?

>> Councilmember Constant: No.

>> Councilmember Chirco: That motion passes with a 2 to 1. And then on to the June 9th council agenda and the additions and the amendments.

>> Councilmember Pyle: Move to approve as amended.

>> Councilmember Constant: Second.

>> Councilmember Chirco: I have a motion and second to approve the June 9th council agenda. All those in favor? [ayes]

>> Councilmember Chirco: All those opposed? Hearing none that motion carries. The next motion on the agenda is the redevelopment budget. And since I see nothing in the June 9th it's obviously misplaced.

>> June 2nd, that agenda was published last week, and it was not out here for the earlier meeting. But there is a June 2nd redevelopment meeting, albeit brief. And there are no changes to the agenda's language, no items dropped nor added. Just as a way of quick review, the only actionable items is the contract with the civic auditorium, the phase 1 project, and that remains there with BCI Builders, Inc., and then the joint item with the San José McEnery convention center relocation/demolition action is still deferred to June the 16th. And the final item is a co-op agreement between the agency and the city concerning the implementation and use of HUD grant funds, and that is also unchanged from what you received earlier.

>> Councilmember Chirco: Pete, do you have the June 2nd -- do you have any questions on the --

>> Councilmember Constant: I don't have it in my binder, but I have it on my desk. So I don't have any questions.

>> Councilmember Pyle: Move to approve.

>> Councilmember Constant: Second.

>> Councilmember Chirco: We have a motion and second to approve the June 2nd redevelopment agenda. All those in favor? [ayes]

>> Councilmember Chirco: All those opposed, that motion carries. The next item is review of the June 9th RDA agenda. Page 1. Page 2 and 3? Page 4 and 5. And that is it.

>> Madam Chair, there are no changes or deletion from this agenda either.

>> Councilmember Constant: Motion to approve.

>> Councilmember Pyle: Second.

>> Councilmember Chirco: I have a motion and a second to approve the June 9th RDA agenda. All those in favor, [ayes]

>> Councilmember Chirco: All those opposed? That motion carries. The next we have legislative update and we have Betsy to address an item or two.

>> Betsy Shotwell: Madam Chair, members of the committee, Betsy Shotwell, Director of Intergovernmental Relations. You have before you first a recommendation to oppose AB 761 relating to mobile homes and rent control. With me is Vivian from housing to make a few comments and answer any questions that you have.

>> Good afternoon.

>> Councilmember Chirco: Want to pull the microphone toward you, Vivian?

>> Good afternoon. I am representing the director of housing, Leslye Krutko, who couldn't be here with you. We'd like to recommend that you oppose AB 761. It would put a real burden on our mobile home community. It would actually circumvent our mobile home ordinance, and in fact, just yesterday, we received an e-mail from a mobile home tenant who was experiencing just what AB 761 is trying to do. And so we really ask that you oppose this bill. Camera called, and I spoke with the president of Camera, Jess Cooligan, and he also asked that we oppose - that the city oppose this bill.

>> Councilmember Chirco: Questions.

>> Councilmember Constant: Just a comment. You know, I don't think this is necessarily a good bill. But I do think that we should be looking for ways to ensure that we can fix the infrastructure of our mobile home parks. A lot of them are in such disrepair. And you know, it's a much bigger problem than what this document is addressing. But I think it's something that we, as a council, need to look at, and our city again, to see what we need to do to make sure that the mobile home parks don't fall into the disrepair that many of them have. Because of the either unwillingness or inability of the park owners to address the infrastructure maintenance. So much like my comments on the previous issue, it's one of those things that if you ignore it, it won't get go away, it only gets worse. I just don't think this is the way to do it. So I don't have a problem opposing this, but I think we need to find some way in the city to address our issues with our mobile home community.

>> Councilmember Chirco: Nancy.

>> Councilmember Pyle: I would say agreed to that, but also, this bill is a death knell to a lot of seniors. You know when you look at it year after year after year, 20%, 40%, 60%, 80%, how could anybody possibly keep up with these rents? We don't have wealthy people in mobile home communities. And we have a tremendous, what, nine senior home parks. Where on earth would these people go in lieu of being in the mobile home community?

>> Well, not only that, they would also lose their investment that they placed in their mobile home.

>> Councilmember Pyle: That's correct.

>> That is a home. It is not an apartment, where if you walk away, somebody else can come in. But a mobile home, you spend thousands of dollars buying it, and expect to live in it for the rest of your life, and maybe even leave it to your children. So it is not the same. It is like our own personal home.

>> Councilmember Pyle: And so with that I'd like to make a motion to deny this --

>> Councilmember Chirco: Do you want to support the recommendation?

>> Councilmember Pyle: I want to do more than just not support it. I want to actively pursue --

>> Councilmember Constant: Opposing.

>> Councilmember Pyle: -- opposing it.

>> Councilmember Constant: I'll second that. But just pointing out, just for clarification, this wouldn't increase the rents on anyone who is living in a mobile home, only if there was a transaction, which is slightly different. So no one would be priced out of their home. There are some equity issues and stuff like that but I still think it's a bad bill.

>> Councilmember Chirco: Do I take that as a second?

>> Councilmember Constant: It's a second.

>> Councilmember Chirco: We have a motion and second to approve staff recommendation. All those in favor? [ayes]

>> Councilmember Chirco: Those opposed? Hearing none, that motion is carried. Thank you very much.

>> Betsy Shotwell: Thank you, and with a one-week turnaround requested.

>> Councilmember Chirco: Yes.

>> Thank you, and camera thanks you.

>> Councilmember Pyle: We oppose with passion.

>> Councilmember Chirco: And you have a Sacramento update, Betsy?

>> Betsy Shotwell: Yes, thank you, Madam Chair. Just briefly, we all were aware, of course, when the Governor introduced his May revise a few weeks ago, we put out an info memo to share with you the update of his proposed cuts, additional cuts, and his desire to attempt to borrow through RAS and at Wall Street. Things have changed a lot since just a few days ago. The governor's decided to not go forward seeking the \$5 billion in RAS and yesterday had a long list of new cuts that was of course posted in the newspapers. Everything from eliminating our state welfare program, phasing out support for college students, closing 80% of our state parks, et cetera, et cetera, the list is long. And then tomorrow, there will be additional information or by the end of the week to the tune of \$2 billion more proposed cuts from the Governor's Office to reach approximately the \$23 billion estimated deficit now. The joint budget committee, conference committee in Sacramento has been meeting every day. Tomorrow they'll be looking at public safety and local government. In regards to the May revise and of course our city we represented as well as many others, tomorrow I know the counties are being very active today and tomorrow as well. And then there'll be more activities next week in Sacramento with cities, neighboring cities here and ours represented in Sacramento as well, working in accordance with the mayor's office and the large city mayors in the state on action items to take place. And just continuing to get the information out, and of course to share with you as soon as we learned information, so that you're equipped with information as you go out into the community and you are asked questions, as well, as to the impacts of the potential here we have. Cash flow issues are facing the legislature, of course, if they don't have a balanced budget they say by July 1 it will be very difficult to borrow for the cash that would be needed in a normal year in the summer, when you don't have the spring and April 15th revenues coming in, this will be another critical piece. So all this is in play and working nonstop on this and we'll continue to keep you informed and as you go out in the community and also I'm happy to assist your staff as well with this information that can be shared.

>> Councilmember Chirco: I'm going to say thank you Betsy, but there wasn't a good word in that.

>> Betsy Shotwell: I know, it's been that way for about 14 months, I'm afraid.

>> Councilmember Chirco: Any questions?

>> Councilmember Pyle: Yes, Betsy, has there been any talk at all about bringing the vehicle license fees up to the -- it's up to the 1992 standards now, up to 2009 standards? Because that would bring in \$5 billion right there, between 5 and \$6 billion.

>> Betsy Shotwell: Well, on Tuesday of last week, I'm reading here the rate did increase 1.15%. It had been since the governor was sworn in dropped down to 0.65. It did go up and of course that's for a limited period of time and with the ballot measure not passing, prop 1A, this would not be extended past 2011. But you do have that increase until 2011, but it's not permanent.

>> Councilmember Pyle: Right, it's not permanent, and it's not adequate, and it's not commensurate.

>> Betsy Shotwell: Right.

>> Councilmember Pyle: So what he is talking about is measures that would be regressive for people that are poor. It would hit everybody. Whereas, vehicle license fees hit those that can least afford a car.

>> Betsy Shotwell: Agreed.

>> Councilmember Pyle: Which was -- I know it's a campaign promise on his part but these are tough times. Campaign promises have to move out of the way. I don't know if groups or anyone has been vocal about that.

>> Betsy Shotwell: Well, there's been a lot of hue and cry of course over increases and fees and whatnot and taxes. But the message over the last week since last Tuesday has been no, that's not going to past the Governor's desk. But again, we're in the throes of this discussion that will go on in the next weeks and months,

and everything is on the table. But to get the necessary two-thirds vote is that challenge. If anything good comes out of that, hopefully, some reform measures next year on our ballot with regards to the budget process.

>> Councilmember Constant: Don't hold your breath.

>> Betsy Shotwell: I have to do something to keep --

>> Councilmember Constant: I'll reserve my comments on the state, to a later date.

>> Councilmember Chirco: Okay, thank you very much, Betsy.

>> Betsy Shotwell: Thank you.

>> Councilmember Chirco: Next item is 7.1A, which is approval of the city meeting schedule.

>> Councilmember Pyle: Move to approve.

>> I would like to make the comment that in August there is a fourth meeting being suggested. We have shaved down the number of council evening meetings. Several times at the Rules Committee level we've been asked to reschedule items because of the low amount of items on the agenda. So we will be only recommending one evening meeting per month.

>> Councilmember Pyle: That's why I approved it.

>> Councilmember Chirco: You want to second that now?

>> Councilmember Constant: Yeah, I'll second it and just a comment. I really think that we should reconsider next calendar year, the Tuesday after Monday holidays not having a council meeting. Because there always seems to be so much work to do, and we end up going into late evening sessions. And even if we had short afternoon sessions, consent calendar items or things that we can move forward to get things, you know, I think it's something that we could and should do in the future. But for future discussion.

>> Councilmember Chirco: Okay. We have a motion and second to approve the city council meeting schedule. All those in favor? [ayes]

>> Councilmember Chirco: All those opposed? Hearing none that motion carries. 7.1B, which is approval of the study session schedule.

>> Councilmember Pyle: Move.

>> Councilmember Constant: Second.

>> Just to note that on the study session schedule already programmed for September 30th is the joint city-county meeting.

>> Councilmember Chirco: I have a motion and second to approve the study session schedule. All those in favor? [ayes]

>> Councilmember Chirco: All those opposed, hearing none, that motion carries. Item 7.2, which is the summer meeting schedule, which is largely cancellations.

>> Councilmember Constant: Move to approve.

>> Councilmember Chirco: I have a motion and second to approve. All those in favor? [ayes]

>> Councilmember Chirco: Opposed? Hearing none, that motion carries.

>> Councilmember Chirco: First meeting back after the recess is Wednesday, July 29th. That's all on the calendar.

>> Councilmember Chirco: July 29th.

>> Lee Price: That's correct.

>> Councilmember Chirco: So noted. Item 9.1 is appointments to boards and commissions. Wait a minute, I skipped one. Have a motion on public record?

>> Councilmember Constant: Note and time.

>> Councilmember Pyle: Second.

>> Councilmember Chirco: I have a motion to note and file the public record. All those in favor? [ayes]

>> Councilmember Chirco: All those opposed? Hearing none, that motion carries. 9.1 A, can we do one motion?

>> City Attorney Doyle: I think you can do all under 9.

>> Councilmember Constant: That's my motion.

>> Councilmember Chirco: Okay, perfect.

>> Councilmember Pyle: Second.

>> Councilmember Chirco: We have a motion and a second to approve item 9.1 A to G.

>> Councilmember Constant: B through G, since one is deferred.

>> Councilmember Chirco: That's right, one is deferred.

>> Councilmember Constant: Oh, no, no, no, I'm sorry, it's deferred from -- oh, no, no, you're right.

>> Councilmember Chirco: A through G. All those in favor? [ayes]

>> Councilmember Chirco: All those opposed, hearing none, that motion carries. Item 9.2 -- and I'm glad to see another member on the HNMF, we've been a little lean -- is an appointment to the Healthy Neighborhood Venture Fund leadership committee.

>> Councilmember Constant: Motion to approve.

>> Councilmember Pyle: Second.

>> Councilmember Chirco: We have a motion and a second to approve Mara Wold to the HNMF. All those in favor? [ayes]

>> Councilmember Chirco: All those opposed? Hearing none, that motion carries. And I believe that is everything except open forum. Mr. Wall --

>> Councilmember Pyle: I would just like to comment on the quality of people that are stepping up to the plate to be on the commissions, appreciate that.

>> Councilmember Chirco: Two minutes, Mr. Wall.

>> Hobble up here. I have a public apology to make. Rare, but it happens. I make a mistake, so edge it in stone. Yesterday at the Community and Economic Development Committee meeting, I made statements that would disparage the conduct of Councilmember Pyle, in the eyes of her constituents, in regards to the dispersionary policy, in other words, putting slums throughout the city. And they go through everywhere. Anyway, I'm sorry that I said that because it gave the impression that you're not a good steward to your electorate. And that's just flat wrong. You're a great steward to who elected you and the folks down there in Almaden valley. And so I was wrong and I stand accounted for. Second, I want to, Pete, you are one of the most outstanding councilmembers this city has ever seen. Because you're no-nonsense, especially when it comes for infrastructure. Your commanding knowledge of the budget and your production of the budgeted funds guide is enough to enshrine you in some monument somewhere in the city. [Laughter]

>> Especially if the centerings wouldn't laugh at it and pay more attention to it and make it more analytically sound, even though Pete has done an outstanding job. Pete doesn't underestimate the water pollution control plant. It is held together by Band-Aids. I will not comment any publicly further on the matter because of my sensitive relationship to that entire project. But do not underestimate the fact, I have a commanding almost frightening knowledge of that entire operation. Which, for a little lab tech, is whatever. And lastly, accolade to our honorable vice mayor. You still run the best meeting, although Nancy is coming close. And may God bless all of you.

>> Councilmember Constant: Well, I just wanted to thank Mr. Wall, but I don't think we want to use that much concrete to cast anything in my resemblance anywhere. So it would be a waste of material, but thank you.

>> One last thing, the police officer that I wrote about the other day, Officer Hayward, a senior citizen in his 70s -- safe again -- but he flagged me down on my way to Rules today, and Dale -- I said, Dale, are you supposed to be out? He says, "I'm going back home." You got to thank that San José police officer. Dale thanked me. "I want to thank you for the other day." I said, "No, you thank the San José police. Because that's who saved your life." And he was still wearing a sweater again, so go figure. But he's 70-plus, so he knows how to get along better than I do. But thank Officer Hayward.

>> Councilmember Pyle: And Mr. Wall, I'd like to invite you to come out and see some of the projects that are in District 10. They would blow you away. And maybe it would alter your thinking. I'm not going to go that far, but --

>> I will rely on police records insofar as their application to City of San José financed housing departments. And if they show a decrease in crime, hey, I'll contribute a few bucks.

>> Councilmember Chirco: And with that, our meeting is adjourned.