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>> Mayor Reed: I'd like to call the meeting to order. This is Rules and Open Government Committee meeting for November 7th, 2012. City council, meetings to review, nothing for November 13th, nothing for November 20th, because we don't have meetings on those days. Although, we need to talk about scheduling a closed session meeting on the 13th, around, during, or whatever, the study session. So we want to take that up when we get to the study session, as it's really the thing that's on the agenda for the 13th. So we'll come back to possibly adding a closed session meeting. Legislative update verbal report from Betsy Shotwell. Anything happening in California yesterday?

>> Betsy Shotwell: Thank you, mayor, members of the committee, Betsy Shotwell, Director of Intergovernmental Relations. I had this put on as a place holder last week not knowing what the outcome would be yesterday. Clearly, there may have been outcomes that I would have been sharing with you some scenarios to expect with regards to the state budget, but prop 30 the governor's measure to temporarily have increase in personal income taxes and sales taxes did pass for public education, public safety. So the scenario that had been shared many times with this group as far as potential cuts or triggers to balance the budget which was around the neighborhood of \$6 billion has been put off. So that is very good news. And then of course there's all the other measures that have been widely publicized. The legislature will resume December 3rd, they'll go back for the beginning of the two year session. We'll be swearing in new members and swearing those who are reelected. So they'll be in for just a few days and then they'll come back in January for the beginning of the two year is session. I'll have more information with my next report to Rules with the 2013 legislative priorities. Happy to answer any questions.

>> Mayor Reed: Any questions? Nothing on the federal?

>> Betsy Shotwell: I just want to add that Patton, Boggs has just released their postelection analysis that I will be getting out to the council in an info memo in the interests of time describing what they perceive as the next few weeks in Sacramento excuse me Washington, D.C. when they return in the lame duck session and other activities. Clearly the fiscal cliff issue is looming and these will be discussions hopefully in a bipartisan way leading to I see major discussions in the area of tax reform as well as other areas to deal with, perhaps putting off

the inevitable that would happen January 3rd that these major cuts to the federal budget. So that remains to be played out in the next few weeks which I'm sure the media will be highlighting.

>> Mayor Reed: Anything else? All right, no action on that. Next item would be the meeting schedules. Back to the study session question. We have study session scheduled Tuesday the 13th, 9:00 to 12:00. We have a draft agenda that came out to discuss -- I'd like to not take three hours for this. And I don't want to see a repeat of the homeless session that we just had. So I don't know what staff is thinking in terms of the presentation, the panels and things. But it ought to be done, a lot less than three hours it seems to me.

>> (inaudible) (inaudible) (inaudible) (inaudible) our intention is to (inaudible) (inaudible) Q&A after each panel and then time for interactive conversation with the council (inaudible) (inaudible) time for interaction after that. It is not addressing (inaudible) the homeless population will be discussed (inaudible).

>> Mayor Reed: So what do you think it's going to take two hours before we start talking about it? I think you just said it's going to take two hours before we get into council discussion.

>> No, council will be able to ask questions and discuss after each panel will be one speaker and in the process one panel on (inaudible) one speaker on demographics, short time for questions, panel 1 on needs and different income levels and time for questions and then panel 2 on ideas about serving the different cohorts, time for questions and then general discussion.

>> Mayor Reed: Well, I'm interested less in the problem than I am in looking at our capacity to deal with it in light of all the changes, financially, that we have, the landscape has changed completely, and that's something that I don't think the council's fully informed on. We've been talking about the problem for a long time so I don't want to spend all the time talking about the problem and not get an understanding of the financing mechanisms and the restrictions and how much money we have of it, part of it.

>> That's part of it too. The piece on needs will be three speakers, on message pretty brief.

>> Mayor Reed: How much time will we spend talking about what our resources and tools are that we still have left after the state raided us and took all our money?

>> Panel 2 will be different speakers who are practitioners talking about different ideas for their piece of the picture, and after that we'll do a short piece on funding other resources deals we'd like to see go forward and ideas. So how much time?

>> Mayor Reed: Still think I'm missing a piece here and I'll let my other council colleagues weigh in because they may have a different perception on it. We no longer have 20% funds. But we have a whole 50 years' worth of projects ahead of us in which the agency is going to have some flow of funds. We have the federal funding, we have the state funding, we have this and I remember the spreadsheet we had a couple of years ago we looked at housing like all these source he and all these uses and all these things that are really complicated. When we get done with this, I want the council to understand what we have and what we might want to try to get.

>> Right.

>> Mayor Reed: But if we spend all the time talking about the problem we're just rehashing what we all know is a problem. And I'm sure there's some councilmembers who haven't heard all this. So you know, we have to be sensitive to the fact that not everybody is in the same place with all the same history. But the most important thing in this is, what can we do with the resources we have? But if we don't know what the resources we have, and that remains a big mystery, there's a big box that's called the housing department and nobody knows what's in that box.

>> We're not that mysterious.

>> Mayor Reed: Go back and look at the spreadsheet. You are not mysterious but you are complicated.

>> There are sources on federal state local and the dollar amount attached and what we will try get moving on projects and the way to go about it if we don't have much subsidy. That's the heart of the presentation.

>> Mayor Reed: Well I think that's the most important part so the council has the understanding of what is possible. Then we can talk about what additional things we might want to do. Anything else from my council colleagues? Yes.

>> Vice Mayor Nguyen: Yes, I guess my concern would be that if we have this sort of interactive between the panelists and councilmembers, then I don't think we need like a whole hour afterwards to talk, I'm not sure what there is to talk about except maybe to give some sense of direction. If that's the case, you know, for staff to come back with whatever the council wants. So I'm not really sure that three hours is needed. If we have the two hours and the actions already followed by at the most half an hour. Give some sense of direction.

>> Mayor Reed: Probably.

>> Councilmember Constant: I'm going to be out of town so I suggest six out for the rest of you.

>> Mayor Reed: With Pete out of town, we only need 15 minutes to talk about it.

>> Councilmember Constant: No Ash is still there.

>> Mayor Reed: Can you take Councilmember Kalra with you? Then we'll do it by video conference.

>> We'll keep that in mind the final period may or may not need as long. It depends on how much interaction is earlier, whether we run over.

>> Mayor Reed: And there's another element that I want to hook in on here, the study session we had on homelessness. I want to make sure we cover not the homeless problem but the homeless funding solutions

potential sources of funds. Because you know council is very concerned about the homeless issue. We had the study session and the real question is what have we got that we can use to address the problem?

>> Just so you know we're looking at this in terms of how much money people make and when we look at people earn zero to 15% median income, it includes the homeless but seniors on fixed income and disabled people. So we're doing a brief overview of what people that make this amount of money what that population includes. It is not the focus on the folks in the creeks, it is a piece of what we're talking about and then solutions, we'll be talking about what are the alternatives to house folks and get them independent.

>> Mayor Reed: Anything else?

>> Councilmember Oliverio: I would just add mayor if this is going to be discussed on this agenda item, if there's intention to do a closed session that day and based on that discussion, we may finish less than the time allocated we go straight into closed session immediately thereafter.

>> City Attorney Doyle: I think the thing should be to notice it at 9:00 and once the council is prepared to go in, you'll be prepared to go in.

>> Mayor Reed: And we may need some staff members who are not available in the morning on some of the closed session items. Is what I've heard. Which means we might have to come back after lunch to finish the closed session even if we get started in the morning, I don't really know. But we need to notice it so we can deal with it however we want to or whatever time we have allocated. If we have to come back we have to come back but we may be able to finish it up in the morning or just go through or something like that. City Clerk.

>> Dennis Hawkins: Mr. Chairman, did you want us to make arrangements for working lunch? We could have the lunch brought in if we think the closed session might extend through lunch hour.

>> Mayor Reed: I don't think the closed session is going to be very long. The question is whether do we get to it and get started, because right now we don't have lengthy items that we are anticipating.

>> Councilmember Oliverio: I'm sorry mayor would you suggest we do the closed session at 9 and going into the study session?

>> Mayor Reed: No, I think just doing a study session and going right into closed session is the best approach. But if there are staff members that need to be present for closed session that aren't available in the morning, then we might still have to come back at 1:30. So we ought to keep the time available. Besides, this is Wednesday, we got until Friday for something else to happen that we need to deal with in closed session.

>> City Attorney Doyle: Given the fact that Monday is a holiday, we will be getting the notices out tomorrow. But we will make it so you have the flexibility to go in at 9:00 or any time after 9:00.

>> Mayor Reed: You never know when the state of California will come down and try to take some of our money. It may happen so we have to talk about it on Tuesday. Pete.

>> Councilmember Constant: I will work with Rick to notice my participation by telephonic for the closed session. I'll figure out where I'm going to be.

>> We'll be sensitive to needs, thank you.

>> Mayor Reed: Anything else on that, or the closed session? Just notice it so we can do it whenever we've got the capacity. And then we'll let the City Manager figure out and City Attorney figure out who needs to be there for what and when.

>> Alex Gurza: Yes and we will do our best to have the appropriate staff available as best we can in the morning if you don't have to come back after lunch if at all possible.

>> Mayor Reed: Anything on that? There's a motion to approve I guess?

>> Vice Mayor Nguyen: So moved.

>> Second.

>> Mayor Reed: Motion to approve the study session of the agenda. Got a card or two. Mr. Wall. Martha --

>> I respectfully remind Your Honors that I've told you that there relatively is no money for this type of adventure. And staff, meaning the administration in its entirety with reference to the housing department should have come up during your last study session with the financial side of the ledger. This -- basically it is a fight between all the CBOs as to who is going to come to get the contracts to run these type of programs in my opinion. I'm not sympathetic whatsoever as far as how the housing department has handled this matter. I think also, as I've warned or advised, rather, that the homeless encampment study program and this one here could have been lumped into one session. Because of the fact you have no money, you really have no direction, you have an intractable problem to solve. However, I still assert that you, Mr. Mayor, asking the governor either for the California national guard and asking President Obama to send in the United States military to help house people, and attend to their medical needs, is the only real aspect or help that you have to solve this regional crisis that has been brewing for decades. So once again, I say to you, this is basically a waste of your time, unless they can come up with concrete ways to finance this endeavor, and how this money, where this money's coming from, how sustainable this money is coming from and how long you are going to put these homeless people up. Are they going to be put up indefinitely or short period of time? There is really no program. I don't say it's your fault, I say it's the fault of the administration for not being forthcoming for all the resources that are at their commands. Thank you.

>> Mayor Reed: Martha O'Connell.

>> I'd like to thank you for having this study session which I don't consider as an adventure. But a serious look at a serious problem. Unfortunately in my opinion too much emphasis has been placed on the homeless and not enough emphasis on the fact that seniors are moving out of San José because they simply can't afford to live here anymore and I hope that is one of the items on your agenda. In the last six months a lady that I have known for 50 years moved out of California because she can't afford to live here and I just lost another friend. So there's important issues that you need to look at, and I have confidence that you are going to do it. Thank you.

>> Mayor Reed: That concludes the public testimony. We have a motion to approve the study session and the agenda. All in favor, opposed, none opposed, that's approved. And we have another study session meeting, joint City Council Santa Clara Valley Water District.

>> Councilmember Oliverio: Motion to approve.

>> Vice Mayor Nguyen: Second.

>> Mayor Reed: We have a motion to approve. We also have the agenda which includes the homeless encampment discussion that we were interested in. Any other comments on the agenda? I have a request to speak. David Wall.

>> I have growing concerns about the involvement of the environmental services department with involving them with creek cleanups. This is beyond the scope of their funding unless, of course, the funding is strictly from integrated waste concerns or any type of General Fund allocation. They usually rely on grants to do this but grants do not cover the base funding of the employees that take out this service. And so there's significant problems with this. If there is some type of mathematical function, that grant moneys cover the entire costs, of the employee with reference to their restricted use funding, their base restricted use funding then the argument turns, the department is then overstaffed because it shouldn't have that capacity to rely on grants which are illusory while stiffing the taxpayers, the ratepayers to base-fund these employees in the first place. Therefore I think you

need a very detailed written report on how these employees are funded, their functions and the duration of these programs with reference to all grant moneys received, thank you.

>> Mayor Reed: That concludes public testimony on this item. We have a motion? We have a motion, forgot that already. On the motion, all in favor, opposed, none opposed, that's approved. Public record. Mr. Wall you want to speak?

>> Yes, sir, with reference to item D it's entitled homeless encampments, city council study session October 29th, 2012. Is a template for an unfunded entitlement. Now, from my opinion, putting people in apartments at taxpayer's expense section 8 vouchers this is creating an entitlement program to which you do not have the funding for and I don't think you're going to have the taxpayers' support of putting these people in apartments in their neighborhoods. I would like to thank personally the Vice Mayor Nguyen for her efforts in addressing the concerns of her neighbors and their problems with these people in her neighborhood. She's done a stalwart job on this and deserves to be commended. Currently as I sit before you today at Coleman street at the cross of Santa Teresa street, which is not to be confused with Santa Teresa Avenue, along the Guadalupe River, right there by the PG&E Substation, there is an atrocious homeless camp that is acting as a base camp for criminal activity. At this time period Mr. Mayor I wish to pray for the San José police to go in there today and have these people move along. This can be seen from the Coleman avenue, right at the PG&E substation, and people that go along the Guadalupe trail, adjacent to it, are fearful for their safety. Once again I'd like to thank Vice Mayor Nguyen for bringing this issue to the forefront and all the other issues concerned that these base camps along the rivers and creeks are nothing but areas for depravity and criminal activity. And they should be quashed, immediately, without hesitation, without concern of the outcome. Thank you.

>> Mayor Reed: Martha O'Connell.

>> In reference to letter C. Regarding councilperson Herrera. Hopefully this will be the last time we see these kinds of letters like compose rose and hose rose and all these inflammatory personal attacks. I would like to

commend councilperson Herrera for her courage in standing up to the unions and doing the right thing for the citizens of San José. I'm very pleased that she got reelected.

>> Mayor Reed: That concludes the public comment on the public record. One more, rich McCoy.

>> I got it in just in time. I want to remind everybody that this Sunday is Veterans Day and we will be having our annual Veterans Day parade in downtown San José. And I'm hoping that many of you can attend it. Unfortunately, I know the mayor is going to be out of town because he's always been a strong supporter for that. This is a chance for all the citizens of San José to recognize the veterans and all the contributions they have done and I thank the San José city for their support.

>> Mayor Reed: That concludes the public comment on the public record.

>> Motion.

>> Second.

>> Mayor Reed: All in favor, opposed, none opposed, that's approved. Work plans, early care and education commission and youth senior citizen and parks and rec commission.

>> Councilmember Constant: Mr. Mayor, I'll recommend the approval of the memo from the city clerk.

>> Second.

>> Mayor Reed: Motion to approve and accept the work plans. On the motion, all in favor? Before we call the vote, there is a request to speak, sorry, Mr. Wall.

>> In reference to F 2B, the I want to focus on the senior citizens part of this work plan. There has been much controversy over the past year about the quality and consistency of the senior nutrition program. I think a written report as to the changes that have been made and how they're going to run this program in the future, how they're going to deliver hot, good quality meals to seniors, should be a matter of -- for you, for the decision makers to make. But I think it's overdue. There's been way too many problems with parks department running this program. They appear to be grossly incompetent with reference to the number of complaints and the inconsistency of delivering quality of food to our seniors. Thank you.

>> Mayor Reed: Martha O'Connell.

>> Martha O'Connell chair of the senior commission. I came down because I thought maybe there was going to be a question about our work plan and I was just going to remind you that the council voted to let us stand alone so our work plan is still relevant even though the council district representation may occur so thank you for the motion and the second.

>> Mayor Reed: Motion is to approve the work plans, further discussion all in favor? Opposed? None opposed, those are approved. We have some requests and referrals, two travel requests one from me one from Councilmember Liccardo.

>> Councilmember Constant: Motion to approve both.

>> Vice Mayor Nguyen: Second.

>> Mayor Reed: Motion to approve the two travel requests. Mr. Wall you wanted to speak on one of these?

>> Excuse me. Both of them. Item G 2 first. It would be my hope and prayer that Your Honor doesn't get a head cold traveling to Iowa during this time of year but also, is your report to be governor going to include a litany of lawsuits that have come across from this foray into pension reform as have you and the council undertaken

it. You might take the City Attorney to explain these positions. On item number 3, Silicon Valley leadership group has appeared one too many time sponsoring these trips for different councilmembers and yourself. So I'm just asking a reasonable question. If the Silicon Valley leadership group is picking up the tab for transport or what have you, does the councilmember and/or yourself Mr. Mayor who have gone on these junkets before, are you an agent or a principal of the Silicon Valley leadership group by taking this or by being their representative to the city by referencing their name, their organization, their political agenda? And this is gotten to be quite out of hand with this travel business with this particular group. And so that is why I raise the question. Whether you're appearing as an agent or a principal, accepting some form of gratuity from this group to furtherance of their political agenda and their reputation within this area. Thank you.

>> Mayor Reed: That concludes the public testimony. City Clerk.

>> Dennis Hawkins: Mr. Mayor I just wanted to note for the record that Councilmember Liccardo's asking to be the City's designated representative to this trip. However the source of funds is the Metropolitan Transportation Commission, which the councilmember represents the city. And so this is funded through MTC, not through the Silicon Valley leadership group.

>> Mayor Reed: Okay, anything else on the motion? We have a motion to approve the two trip travel requests. All in favor? Opposed? None opposed, those are approved. We have two requests for excused absence he one from Councilmember Chu and one for Councilmember Liccardo.

>> Councilmember Oliverio: Motion to approve.

>> Councilmember Constant: Second.

>> Mayor Reed: Motion is to approve the excuse absences. All in favor, opposed, none opposed, that's approved. Last item, G6 is the designation of operation prom dress as a city council sponsored event.

>> Motion.

>> Second.

>> Mayor Reed: We have a motion to approve that. All in favor, opposed, none opposed, that's approved. Taking us to open forum. Mr. Wall.

>> With reference to testimony tendered by honorable city clerk, the metropolitan transportation commission was lobbied very successfully by an independent group named spur to get positions on the MTC that the City of San José did not previously have. It appears that, as a form of quid pro quo, or some other form of re-numeration (sic) unknown to me at this time, that they were afforded the ability to start designing transportation ordinances for the City of San José. So it appears that there's funding issues that represent other groups that seem to me to be acting as agents, councilmembers acting as agents for these different groups. The other issue is basically an overdue thank you to Mr. Norman K. Sato, esquire, for his many years as a retiree from this city, of donating his time and services to the city attorney's office. You can only make the inquiries to find out the amount of money that this honorable servant to our city has saved this city because the attorneys office is an office of privilege and confidences. And I do not know. I only estimate from the salaries of a senior attorney would make, and also, his expertise in making -- what he does? Even though I do not know what particular cases he has worked on or how he has helped the City Attorney. But I think that you should, as mayor of this city, make those inquiries in executive session and have an award ceremony for Mr. Sato in public because there's nobody in the city that I know of that has saved the city the amount of money, hundreds of thousands if not millions of dollars, based on his own personal time and service and dedication. He's pure of heart. He loves serving this city. And I think you should thank him.

>> Mayor Reed: Sorry, your sometime is up. That concludes the open forum, correct, all the cards, that concludes our meeting, we're adjourned.