

RULES AND OPEN GOVERNMENT COMMITTEE

Meeting Report

May 5, 2010

PRESENT: Mayor Reed, Vice Mayor Chirco, Council Members Constant and Pyle.

ABSENT: None.

STAFF: City Manager Debra Figone, Assistant City Attorney Ed Moran, City Clerk Lee Price, Redevelopment Agency Assistant Director Gary Miskimon, Chief Deputy City Manager Ed Shikada, Agenda Services Manager Nadine Nader, Mayor's Council Agenda Manager Nikhil Warrior and Legislative Secretary Ruth Krantz.

A. City Council

1. Review May 11, 2010 Final Agenda

Documents Filed: Memorandum from Mayor Reed, dated April 28, 2010 regarding extension of his appointment to the Bay Area Water Supply and Conservation Agency San Francisco Bay Area Regional Water System Financing Authority.

Action: The Committee approved the May 11, 2010 draft agenda, as amended. Item 4.1 (Neglected Vacant or Abandoned Building Ordinance) was deferred to May 18, 2010.

2. Review May 18, 2010 Draft Agenda

Documents Filed: Memorandum from Vice Mayor Chirco, dated April 27, 2010, regarding adoption of a resolution supporting the Bill of rights for Children and Youth.

Action: The Committee approved the May 18, 2010 draft agenda, as amended. Item 4.1 (Public Hearing on an Ordinance to Specify Parking Requirements for Business Destinations) was continued to May 25, 2010. Youth Commission Oaths of Office for Districts Two and Four were added to the evening agenda at the request of the City Clerk, and a correction was made to Item 3.2 (City of San José Executive Home Loan Program) to reflect that the item will be deferred to May 25, 2010.

B. Redevelopment Agency (RDA)

- 1. Review May 11, 2010 Final Agenda**
None. The Committee cancelled the meeting.
- 2. Review May 18, 2010 Draft Agenda**
None.

C. Review of Upcoming Study Session Agenda(s)
None.

D. Legislative Update

- 1. State**
None.
- 2. Federal**
Approve Federal Relations Update – 2010 First Quarter Report.

Documents Filed: Memorandum from Intergovernmental Relations Director Betsy Shotwell dated April 20, 2010, recommending acceptance of the First Quarter Report from the City's Federal Advocacy Firm of Patton Boggs, LLP.

Director of Intergovernmental Relations Betsy Shotwell presented an overview of the Report.

Mayor Reed provided a brief oral report on his trip to Washington D.C. in March.

Action: The Committee accepted the Reports from Intergovernmental Relations Director Betsy Shotwell and Mayor Reed.

E. Meeting Schedules
None.

F. The Public Record

Document Filed: (1) Memorandum from City Clerk Lee Price dated April 30, 2010 transmitting the Public Record for the week of April 23 - April 29, 2010.

Council Member Constant pulled Item (c); a letter dated April 23, 2010 from the San José Water Company regarding the lease or sale of the Municipal Water System, and asked how the Council can move forward on this proposal. The offer was referred to the City's upcoming Budget Sessions.

F. The Public Record (Cont'd.)

Council Member Constant pulled Item (i) regarding worker's compensation insurance for LAFCO executives as outlined in the proposed LAFCO budget for FY 2010-2011 to request clarification from the City Attorney on worker's compensation issues for LAFCO executives and commissioners that serve on the City's boards and commissions. The City Attorney agreed to prepare an information memorandum offering clarification.

Public Comment: David Wall commented on his letter of April 29, 2010, Item (o) of the Public Record, objecting to the structure of the Sewer Service & Use Charge rate increase and suggesting than an audit of Fund 513 be authorized and conducted.

Action: The Public Record was noted and filed with direction to the City Attorney to prepare an information memorandum clarifying worker's compensation issues.

G. Appointments to Boards, Commissions and Committees

None.

H. Rules Committee Reviews, Recommendations and Approvals

- 1. Review and develop recommendations regarding: (1) Feedback from the Mayor's Biennial Ethics Review Panel, and (2) Response from the Elections Commission regarding four issues referred to the Panel and the Elections in parallel by the City Council on December 15, 2009, and forward the recommendations for consideration by the City Council on May 18, 2010. (City Clerk)**

Documents Filed: (1) Memorandum from City Clerk Lee Price dated April 22, 2010 regarding a response from the Elections Commission to Referrals from the City Council following the Mayor's Biennial Ethics Review on December 15, 2009. (2) Slideshow presentation "Mayor's 2009 Biennial Ethics Review: Feedback from Ethics Review Panel and Response from Elections Commission" dated May 5, 2010. (3) Correspondence provided to the City Clerk regarding Lobbyist Registration for Nonprofit 501 c3.

Senior Deputy City Attorney Lisa Herrick summarized the referrals from the Mayor's Biennial Ethics Review Panel and the responses from the Elections Commission.

Public Comments: Ben Field (South Bay Labor Council), Patricia Gardner (Silicon Valley Council of Nonprofits) and James Zahradka (Law Foundation of Silicon Valley) spoke in opposition to requiring nonprofit agencies to register as lobbyists.

Action: The Committee accepted the report, with Staff directed to return with more information about reporting requirements and thresholds, as well as the number and types of nonprofits who actually register and report in other comparable cities with lobbying laws.

H. Rules Committee Reviews, Recommendations and Approvals (Cont'd.)

- 2. Approve the expansion of the City's use of internet filter technology to prohibit the Mayor and City Councilmembers from accessing social networking sites from the computers on the dais during City Council Meetings. (Campos)**

Document Filed: Memorandum from Council Member Campos, dated April 29, 2010 forwarding the recommendation.

Mayor Reed noted that the City Council recently adopted new rules regarding electronic communications during Council meetings. Vice Mayor Chirco and Councilmember Constant agreed no action was necessary.

Action: No action taken.

- 3. Approve reductions of the Mayor and City Councils' office budgets and the Council General Fund by an additional 5 percent of that in the City Manager's Proposed FY 2010-11 Operating Budget on an ongoing basis.**

Document Filed: Memorandum from Council Member Campos, dated April 30, 2010 forwarding the recommendation to reduce the Council Office budgets and use the savings to restore services at community centers.

Public Comments: Speaking in favor of Councilmember Campos' recommendations: Lisa Feldbert; Dave Gonzales, Dennis Haggerty and Diana Wilkerson, (St. John Vianney PACT); Elena Martinez, Carolina Domez, Francisco Alvarez, Steve Barrientos, Mireya Molina, Toni Sansereno, Clark Zamora and Augustine (Alma Community Center); Mary Ann Andrade (Alum Rock Youth Center); Aaron Carrera (Washington United Youth Center); Elisa Koff-Ginsborg (Working Partnerships), and Ruben Solario (Catholic Charities).

Action: The Committee referred this item to the upcoming Budget Study Sessions.

- 4. Approve the Airport Competitiveness Strategic Plan.**

Document Filed: Memorandum from Director of Aviation William F. Sherry, dated April 26, 2010 forwarding the recommendation.

Director of Aviation Bill Sherry revised staff's goal of keeping the cost per enplaned passenger (CPE) at a level no higher than \$15 to \$10-11. He added that more analysis is needed.

Vice Mayor Chirco recommended further analysis in the use of unallocated TAIP bond funding to reduce short-term cost per enplaned passenger (CPE).

Public Comments: Ben Field (South Bay Labor Council) agreed with Vice Mayor Chirco's recommendation to reduce the CPE. David Wall objected to the use of unallocated funds for anything but debt reduction. Kebede Kaba (San José Taxi

Drivers Association) objected to the conclusion that the airport taxi concession system needs to be simplified.

Action: The Committee accepted the report and forwarded the strategic planning principles and staff's approach to developing the strategic plan, as amended, for approval by the City Council on May 25, 2010 and directed that Staff return to the Rules Committee with a report on the status of the Airport Competitiveness Work Plan in the fall.

H. Rules Committee Reviews, Recommendations and Approvals (Cont'd.)

5. **Annual Financial Scan of City-Funded Community-Based Organizations**
(a) Approve the Annual Financial Scan of City-Funded Community-Based Organizations.

Documents Filed: Memorandum from City Auditor Sharon Winslow-Erickson, dated April 29, 2010 transmitting the Annual Financial Scan of City-Funded Community-Based Organizations – Fiscal Years 2006-07 Through 2008-09.

- (b) Accept response to the City Auditor's Financial Scan of City-Funded Community Based Organizations.

Document Filed: Memorandum from Deputy Director Economic Development Jeff Ruster dated April 28, 2010 in response to the City Auditor's report.

Public Comments: Patricia Gardner (Silicon Valley Council of Nonprofits) praised the quality of the report and the City's communication with non-profits and asked how the report will be used. David Wall objected to the use of taxpayer subsidies, citing a problem with 'entitlement' and proposed the elimination of the Office of Economic Development and the Housing Department.

Director of Housing Leslye Krutko and Deputy Director Economic Development Jeff Ruster explained that the Report is a tool to guide the city and a resource for nonprofits to use in providing necessary information to the City. Mayor Reed suggested that staff assess the value of the Report and make recommendations for improvements, as appropriate.

Action: The Committee accepted the report and asked that Staff return to the Rules Committee in a few months with an assessment of its findings.

I. Review of additions to Council Committee Agendas

1. **Community and Economic Development Committee**
2. **Transportation and Environment Committee**
3. **Neighborhood Services and Education Committee**
4. **Public Safety, Finance and Strategic Support Committee**

None.

J. Open Government Initiatives

- 1. Sunshine Reform Task Force (SRTF)**
- 2. Appeals of Public Records Act Requests**
- 3. Council Policy Manual Update**

There were none.

K. Open Forum

David Wall conveyed his thanks to the Mayor and Council for their hard work and dedication.

L. Adjournment

The meeting adjourned at 4:02 p.m.



Mayor Chuck Reed
Rules and Open Government Committee