



MINUTES OF THE CITY COUNCIL

PROPOSED OPERATING BUDGET FOR FISCAL YEAR 2012-2013 PROPOSED 2012-2013 CAPITAL BUDGET AND 2013-2017 CAPITAL IMPROVEMENT PROGRAM PROPOSED 2012-2013 FEES & CHARGES STUDY SESSIONS

May 09, 2012 – May 11, 2012

The Council of the City of San José convened in Regular Budget Study Session on Monday, May 09, 2012 at 9:35 a.m. in Council Chambers, City Hall Council Wing, San José, California.

Present: Council Members - Campos, Chu, Constant, Herrera (9:40 a.m.), Kalra (9:44 a.m.), Liccardo, Oliverio (9:46 a.m.), Pyle, Rocha; Reed.

Absent: Council Members - Nguyen. (Excused)

Staff: City Attorney Richard Doyle, City Manager Debra Figone, Budget Director Jennifer Maguire, Assistant City Manager Edward K. Shikada, Assistant Budget Director Walter Rossman, Budget Deputy Director Margaret McCahan, City Clerk Dennis D. Hawkins, CMC and Deputy City Clerk Susan M. Davis.

Opening Comments

Mayor Reed presented opening comments and addressed the budget shortfall projection for the upcoming year. Mayor Reed further outlined the study sessions and public hearing schedules.

Introduction of Proposed Operating Budget

City Manager Debra Figone offered opening comments.

Overview Presentation

Budget Director Jennifer Maguire presented the 2012-2013 Proposed Operating Budget overview.

Discussion of CSA Overviews, City Departments and Performance Measures

Community and Economic Development

Director of Economic Development/Chief Strategist Kim Walesh presented a brief overview of the local economy.

Director of Economic Development/Chief Strategist Kim Walesh, Director of Planning, Building and Code Enforcement Joseph Horwedel and Director of Housing Leslye Corsiglia presented the Community and Economic Development 2012-2013 Proposed Operating Budget.

Director of Economic Development/Chief Strategist Kim Walesh presented closing remarks.

Budget Director Jennifer Maguire, Assistant City Manager Edward K. Shikada, City Attorney Richard Doyle, Director of Economic Development/Chief Strategist Kim Walesh, Director of Planning, Building and Code Enforcement Joseph Horwedel, Director of Housing Leslye Corsiglia and Deputy Director of Economic Development Nanci Klein responded to Council questions and concerns.

Council Member Liccardo requested Staff to provide an update on the current and future state of foreclosures in San José and on the City's response to the situation. Director of Housing Leslye Corsiglia replied that Staff will be issuing Manager's Budget Addendum No. 22 addressing these issues.

Mayor Reed requested that Staff provide information regarding Development Services Five Year Performance goal, to consider making the goals 100% and to make them consistent across the Development Services partners. Director of Planning, Building and Code Enforcement Joseph Horwedel stated that Staff will be issuing Manager's Budget Addendum No. 32 responding to Mayor Reed's request.

Mayor Reed adjourned the Study Session at 11:58 a.m.

RECESS/RECONVENE

The City Council recessed at 11:58 a.m. from the Budget Study Session on Wednesday, May 09, 2012 and reconvened on Thursday, May 10, 2012 at 9:06 a.m. in the Council Chambers, City Hall.

Present: Council Members - Campos, Chu, Constant, Herrera (9:44 a.m.), Kalra, Liccardo (9:46 a.m.), Nguyen, Oliverio (9:11 a.m.), Pyle (9:39 a.m.), Rocha; Reed.

Absent: Council Members - All Present.

Staff: City Attorney Richard Doyle, City Manager Debra Figone, Budget Director Jennifer Maguire, Assistant City Manager Edward K. Shikada, Assistant Budget Director Walter Rossman, Budget Deputy Director Margaret McCahan, City Clerk Dennis D. Hawkins, CMC and Deputy City Clerk Susan M. Davis.

Public Safety

Fire Chief William L. McDonald, Chief of Police Christopher M. Moore and Independent Police Auditor Judge LaDoris Cordell presented an overview on the Public Safety 2012-2013 Proposed Operating Budget and responded to Council questions and concerns.

Council discussion ensued about various issues such as the homeless encampments along the rivers, structure fires in single family homes, an additional staff member required for the Independent Police Auditor, recruiting for Police Officers and Firefighters, fire response times and the rising crime rate in San José.

Council Member Liccardo requested more information about the cost of utilities at the South San José Substation. Director of Public Works David Sykes stated he will be issuing Manager's Budget Addendum No. 16 addressing the budget issues.

Council Member Kalra requested information regarding alternative ways/costs savings to open the Police Substation. Chief of Police Christopher M. Moore stated he will be issuing Manager's Budget Addendum No. 25 addressing the alternative ways.

Mayor Reed requested Staff to provide information about further Police civilianization opportunities. Chief of Police Christopher M. Moore noted he will be issuing Manager's Budget Addendum No. 34 responding to Mayor Reed's request.

Mayor Reed adjourned the morning Budget Session at 12:00 p.m.

RECESS/RECONVENE

The City Council recessed at 12:00 p.m. from the afternoon Budget Study Session and reconvened at 1:36 p.m. in the Council Chambers, City Hall.

Present: Council Members - Campos, Chu, Constant, Herrera, Kalra, Liccardo, Nguyen, Oliverio, Pyle, Rocha; Reed.

Absent: Council Members - All Present.

Staff: City Attorney Richard Doyle, Budget Director Jennifer Maguire, Assistant City Manager Edward K. Shikada, Assistant Budget Director Walter Rossman, Budget Deputy Director Margaret McCahan, City Clerk Dennis D. Hawkins, CMC and Deputy City Clerk Susan M. Davis.

Neighborhood Services

Deputy City Manager Norberto Dueñas provided introductory remarks. Acting Director of Parks, Recreation and Neighborhood Services Julie Edmonds-Mares, Acting Library Director Ned Himmel and Deputy Director of Animal Care and Services Jon Cicirelli presented the 2012-2013 Proposed Operating Budget for Neighborhood Services.

Council Member Kalra suggested that the libraries remain open four days a week. Council Member Kalra suggested offering seniors opportunities to provide input to the City regarding Senior Centers. He also suggested that it would be valuable to have a Citywide Senior Liaison Staff member to check on all the Community centers and requested that Staff reach out to seniors who are home bound.

Acting Director of Parks, Recreation and Neighborhood Services Julie Edmonds-Mares stated Manager's Budget Addendum (MBA) No. 17 was submitted to Budget yesterday with regard to Senior Nutrition Transportation and the restoration of this model, serving seven sites, would cost \$283,065.

In response to inquiries from Vice Mayor Nguyen and Council Member Herrera, Acting Director of Parks, Recreation and Neighborhood Services Julie Edmonds-Mares pointed out that Staff will be issuing Manager's Budget Addendum No. 31 releasing the hold which was placed on new park development on February 9, 2010 and aligning new park development with the existing approved City Council Budget Principal that states capital improvement projects shall not proceed for projects with annual operating and maintenance costs exceeding \$100,000 in the General Fund without City Council certification that funding will be made available in the applicable year of the cost impact.

Neighborhood Services (Cont'd.)

Council Member Herrera requested an update on the collaboration and community outreach efforts of the Anti-Graffiti Program. Council Member Herrera added that residents need to be educated about how to report graffiti. Acting Director of Parks, Recreation and Neighborhood Services Julie Edmonds-Mares stated that she will be issuing Manager's Budget Addendum No. 41 pertaining to a Graffiti Program Update.

Council Member Chu requested information on the cost comparison between opening four branch libraries, whose opening has been deferred for several years due to the operational impact on the General Fund versus increasing library branch hours.

Council Member Rocha asked about the Smart Start Program funding and Budget Director Jennifer Maguire stated that she will be issuing Manager's Budget Addendum No. 20 providing a 10 month business start up and retention training program to low to moderate income residents to establish or retain a state licensed home based child care business.

Council Member Rocha requested a status of Community Centers in Reuse and related costs. Acting Director of Parks, Recreation and Neighborhood Services Julie Edmonds-Mares replied that she will be issuing a Manager's Budget Addendum No. 29 providing that information.

Council Member Liccardo requested more funding for Park Rangers.

Council Member Oliverio requested that additional Code Enforcement services be provided to multi-family dwellings to either eradicate blight or shorten the inspection cycles by increasing the cost of the Multiple Housing Permit Fee and adding additional staff. Staff will return with a Manager's Budget Addendum.

Public Comments

Expressing support for more senior transportation, better qualities of food for senior nutrition, including more fresh fruit and a request for a Senior Coordinator were Mary Anne and Celeste, Alma Community Center; Angie Brawley and Glenice Magee, Sacred Heart Community Center and Adan Ramos, Gardner Community Center.

Environmental and Utility Services

Acting Director of Environmental Services Kerrie Romanow and Deputy Director of Department of Transportation Kevin O'Connor presented the 2012-2013 Proposed Operating Budget for Environmental and Utility Services and responded to Council questions and concerns.

Council Member Constant left the meeting at 3:56 p.m.

Mayor Reed adjourned the afternoon Budget Session at 4:36 p.m.

RECESS/RECONVENE

The City Council recessed at 4:36 p.m. from the Budget Study Session on Thursday, May 10, 2012 and reconvened on Friday, May 11, 2012 at 9:23 a.m. in the Council Chambers, City Hall.

Present: Council Members - Campos, Chu (9:27 a.m.), Constant, Herrera, Kalra, Nguyen, Oliverio (9:51 a.m.), Pyle (9:32 p.m.), Rocha; Reed. (9:30 a.m.)

Absent: Council Members - Liccardo. (Excused)

Staff: City Attorney Richard Doyle, City Manager Debra Figone, Budget Director Jennifer Maguire, Assistant City Manager Edward K. Shikada, Assistant Budget Director Walter Rossman, Budget Deputy Director Margaret McCahan, City Clerk Dennis D. Hawkins, CMC and Deputy City Clerk Susan M. Davis.

Transportation and Aviation Services

Director of Transportation Hans Larsen presented introductory remarks. Director of Aviation William F. Sherry, A.A.E. and Director of Transportation Hans Larsen presented the 2012-2013 Transportation and Aviation Services Proposed Operating Budget. Assistant Director/Chief Operating Officer of Aviation Kim Aguirre and Assistant Director of Transportation James Ortbal were present.

Strategic Support Services – Council Appointees

City Attorney Richard Doyle provided the 2012-2013 Proposed Operating Budget for the Office of the City Attorney.

City Auditor Sharon W. Erickson presented the 2012-2013 Proposed Operating Budget for the Office of the City Auditor.

City Clerk Dennis D. Hawkins, CMC presented the 2012-2013 Proposed Operating Budget for the Office of the City Clerk.

City Manager Debra Figone offered the 2012-2013 Proposed Operating Budget for the Office of the City Manager.

Strategic Support Services – Human Resources, Finance, Information Technology, Public Works and Retirement Services

Deputy City Manager Alex Gurza, Director of Public Works David Sykes, Acting Director of Finance Julia H. Cooper and Acting Chief Information Officer Vijay Sammeta presented an overview of the 2012-2013 Strategic Support Services Proposed Operating Budget.

Employment Division Manager Sarah H. Nunes presented a brief report about Development Services Hiring.

Council discussion ensued.

Mayor Reed adjourned the morning Budget Session at 11:55 a.m.

RECESS/RECONVENE

The City Council recessed at 11:55 a.m. from the morning Budget Study Session and reconvened at 1:35 p.m. in the Council Chambers, City Hall.

Present: Council Members - Campos, Chu, Constant, Herrera, Kalra (1:50 p.m.), Liccardo (1:45 p.m.), Nguyen, Oliverio (1:45 p.m.), Pyle, Rocha; Reed.

Absent: Council Members - All Present.

Staff: City Attorney Richard Doyle, Budget Director Jennifer Maguire, Assistant City Manager Edward K. Shikada, Assistant Budget Director Walter Rossman, Budget Deputy Director Margaret McCahan, City Clerk Dennis D. Hawkins, CMC and Deputy City Clerk Susan M. Davis.

Fees and Charges

There was no Staff Presentation.

Proposed 2012-2013 Capital Budget and 2013-2017 Capital Improvement Program

Assistant Budget Director Walter Rossman and Director of Public Works David Sykes presented the Proposed 2012-2013 Capital Budget and 2013-2017 Capital Improvement Program.

Brief discussion followed.

Mayor Reed adjourned the afternoon Budget Session at 1:56 p.m.

Minutes Recorded, Prepared and Respectfully Submitted by,

Dennis D. Hawkins, CMC
City Clerk

/smd May09-12, 2012 BUDGET MIN

Access the video, the agenda and related reports for this meeting by visiting the City's website at <http://www.sanjoseca.gov/clerk/agenda.asp> or <http://www.sanjoseca.gov/clerk/MeetingArchive.asp>. For information on any ordinance that is not hyperlinked to this document, please contact the Office of the City Clerk at (408) 535-1266.

ATTACHMENT A

Documents Filed:

- (1) Staff presentation dated May 09, 2012 summarizing the 2012-2013 Proposed Operating Budget Overview.
- (2) Staff presentation dated May 09, 2012 highlighting the 2012-2013 Community and Economic Development Proposed Operating Budget.
- (3) Staff presentation dated May 10, 2012 summarizing the 2012-2013 Public Safety Proposed Operating Budget.
- (4) Staff presentation dated May 10, 2012 describing the 2012-2013 Neighborhood Services Proposed Operating Budget.
- (5) Staff presentation dated May 10, 2012 highlighting the 2012-2013 Environmental and Utility Services Proposed Operating Budget.
- (6) Staff presentation dated May 11, 2012 summarizing the 2012-2013 Transportation and Aviation Services Proposed Operating Budget.
- (7) Staff presentation dated May 11, 2012 highlighting the 2012-2013 Proposed Operating Budget for the Office of the City Attorney.
- (8) Staff presentation dated May 11, 2012 summarizing the 2012-2013 Proposed Operating Budget for the Office of the City Auditor.
- (9) Staff presentation dated May 11, 2012 describing the 2012-2013 Proposed Operating Budget of the Office of the City Manager.
- (10) Staff presentation dated May 11, 2012 summarizing the 2012-2013 Strategic Support Proposed Operating Budget.
- (11) Staff presentation dated May 11, 2012 describing the 2012-2013 Proposed Capital Budget and 2013-2017 Capital Improvement Program.