



## MINUTES OF THE CITY COUNCIL

**SAN JOSE, CALIFORNIA**

**TUESDAY, SEPTEMBER 16, 2014**

The Council of the City of San José convened in Regular Session at 9:32 a.m. in the Council Chambers at City Hall.

Present: Councilmembers - Campos, Chu, Constant, Herrera, Kalra, Khamis, Liccardo, Nguyen, Oliverio, Rocha; Reed.

Absent: Councilmembers - All Present.

### STRATEGIC SUPPORT SERVICES

#### 3.2 Accept Labor Negotiations Update.

There was no report.

### CLOSED SESSION

Upon motion unanimously adopted, Council recessed at 9:32 a.m. to a Closed Session in Room W133 (A) to confer with Legal Counsel pursuant to Government Code Section 54956.9(d)(1) with respect to anticipated litigation in two (2) matters; (B) to confer with Legal Counsel pursuant to Government Code Section 54956.9(b) with respect to anticipated litigation (Claim Not Filed); Number of matters to be discussed: one; (C) to confer with Legal Counsel pursuant to Government Code Section 54956.9(b) with respect to anticipated litigation (Claim not Filed); In re: Claim of Delao; City Department: Police; (D) to confer with Legal Counsel pursuant to Government Code Section 54956.9(d)(1) with respect to existing litigation; (1) McLaughlin v. City of San José; Names of Partie(s) Involved: Shirli McLaughlin, City of San José, California, Does 1 to 10; Court: Superior Court of California, County of Santa Clara; Case No: 1-12-CV-236396; Amount of Money or Other Relief Sought: Damages According to Proof; (2) Lisa Blevins, individually and on behalf of all other similarly situated v. City of San José; Court: Superior Court of California, County of Santa Clara; Case No: 1-14-CV-270060; Damages according to proof; (E) to confer with Real Property Designated Representatives Pursuant to Government Code Section 54956.8: Property Street Address,

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

## CLOSED SESSION (Cont'd.)

Parcel Number, or Other Unique Reference of Property: Declaration of CC&R Agreement re: McCarthy Property (139 Acres) East of San José/Santa Clara Water Pollution Control Plant; Negotiating Parties: Kerrie Romanow for the City of San José and Joey McCarthy, Jr. for McCarthy Property; Under Negotiation: the direction will concern price and terms of early termination to CC&R; Likely Range of Value of Property: Negotiated price based on fair market value and initial purchase price for CC&R; (F) to confer with Labor Negotiator pursuant to Government Code Section 54957.6: City Negotiator: City Manager Designee Alex Gurza; Employee Organizations: (1) Association of Building, Mechanical and Electrical Inspectors (ABMEI); Nature of Negotiations: Wages/Salaries, Hours, Working Conditions, etc.; Name of Existing Contract or MOA: Memorandum of Agreement between City of San José and ABMEI. (2) Association of Engineers & Architects (AEA); Nature of Negotiations: Wages/Salaries, Hours, Working Conditions, etc.; Name of Existing Contract or MOA: Memorandum of Agreement between City of San José and AEA. (3) Association of Maintenance Supervisory Personnel (AMSP); Nature of Negotiations: Wages/Salaries, Hours, Working Conditions, etc.; Name of Existing Contract or MOA: Memorandum of Agreement between City of San José and AMSP. (4) City Association of Management Personnel Agreement (CAMP); Nature of Negotiations: Wages/Salaries, Hours, Working Conditions, etc.; Name of Existing Contract or MOA: Memorandum of Agreement between City of San José and CAMP. (5) Confidential Employees' Organization, AFSCME Local 101 (CEO); Nature of Negotiations: Wages/Salaries, Hours, Working Conditions, etc.; Name of Existing Contract or MOA: Memorandum of Agreement between City of San José and CEO. (6) International Association of Firefighters, Local 230 (IAFF); Nature of Negotiations: Wages/Salaries, Hours, Working Conditions, etc.; Name of Existing Contract or MOA: Memorandum of Agreement between City of San José and International Association of Firefighters. (7) International Brotherhood of Electrical Workers (IBEW); Nature of Negotiations: Wages/Salaries, Hours, Working Conditions; Name of Existing Contract or MOA: Memorandum of Agreement between City of San José and IBEW. (8) Municipal Employees' Federation, AFSCME Local 101, AFL-CIO (MEF); Nature of Negotiations: Wages/Salaries, Hours, Working Conditions, etc; Name of Existing Contract or MOA: Memorandum of Agreement between City of San José and MEF; (9) International Union of Operating Engineers, Local No. 3 (OE#3); Nature of Negotiations: Wages/Salaries, Hours, Working Conditions, etc; Name of Existing Contract or MOA: Memorandum of Agreement between City of San José and International Union of Operating Engineers, Local No. 3. (10) San José Police Officers' Association (SJPOA); Nature of Negotiations: Salaries, Hours, Working Conditions, etc; Name of Existing Wages Contract or MOA: Memorandum of Agreement between City of San José and San José Police Officers' Association. (11) Association of Legal Professionals of San José (ALP); Nature of Negotiations: Wages/Salaries, Hours, Working Conditions, etc. Web: <http://www.sanjoseca.gov/?nid=186>; Telephone for Employee Relations: 408-535-8150.

## **CLOSED SESSION (Cont'd.)**

By unanimous consent, Council recessed from the Closed Session at 10:45 a.m. and reconvened to Regular Session at 1:33 p.m. in the Council Chambers.

Present: Councilmembers - Campos, Chu, Constant (1:45), Herrera, Kalra, Khamis, Liccardo, Nguyen, Oliverio (1:45), Rocha; Reed.

Absent: Councilmembers - All Present.

## **INVOCATION**

Pastor Rodney Nelson, East Valley Pentecostal, provided the Invocation.

## **PLEDGE OF ALLEGIANCE**

Mayor Reed led the Pledge of Allegiance.

## **ORDERS OF THE DAY**

Upon motion by Vice Mayor Nguyen, seconded by Councilmember Herrera and carried unanimously, the Orders of the Day and the Amended Agenda were approved. (9-0-2. Absent: Constant, Oliverio.)

Upon motion by Vice Mayor Nguyen, seconded by Council Member Herrera and carried unanimously, the Consent Calendar was approved and the below listed actions were taken as indicated. (11-0.)

## **CEREMONIAL ITEMS**

### **1.1 Presentation of the League of California Cities' 2014 Helen Putnam Award to the Environmental Services Department for its "Bring Your Own Bag" ordinance. (Chu)**

Mayor Reed and Councilmember Chu presented the League of California Cities' 2014 Helen Putnam Award to the Environmental Services Department for its "Bring Your Own Bag" ordinance, and commendations were presented to the Clean Water Action Group, Save the Bay and Save the Shores.

**1.2 Presentation of a commendation for the 25<sup>th</sup> Anniversary of the Partners in Reading program. (Library)**

Mayor Reed, Councilmember Herrera and City Manager, Edward K. Shikada presented a commendation to the Library staff and volunteers for the 25<sup>th</sup> Anniversary of the Partners in Reading program.

**1.3 Presentation of proclamation declaring the week of September 14th through 20th as Balance Awareness Week in the City of San José. (Herrera)**

Mayor Reed and Councilmember Herrera presented a proclamation declaring the week of September 14th through 20th as Balance Awareness Week in the City of San José.

**CONSENT CALENDAR**

**2.1 Approval of Minutes.**

None provided.

**2.2 Final Adoption of Ordinances.**

None provided.

**2.3 Approval of Council Committee Reports.**

- (a) **Public Safety, Finance, and Strategic Support Committee Report of August 21, 2014. (Constant)**  
[Deferred from 9/9/14 – Item 2.3(f)]
- (b) **Community and Economic Development Committee of August 25, 2014. (Herrera)**  
[Deferred from 9/9/14 – Item 2.3(g)]
- (c) **Airport Competitiveness Committee Report of August 22, 2014. (Mayor)**
- (d) **Rules and Open Government Committee Report of August 27, 2014. (Mayor)**

Documents Filed: (1) Public Safety, Finance, and Strategic Support Committee Report of August 21, 2014. (2) Community and Economic Development Committee of August 25, 2014. (3) Airport Competitiveness Committee Report of August 22, 2014. (4) Rules and Open Government Committee Report of August 27, 2014.

Action: The Council Committee Reports were accepted. (9-0-2. Absent: Constant, Herrera.)

- 2.4 (a) **Request for an excused absence for Vice Mayor Nguyen from the Closed Sessions and Council Meetings on September 23, 2014 and September 30, 2014 and the Regular Meetings of Rules and Open Government Committee on September 24, 2014 and October 1, 2014 due to Authorized City Business: 2014 New Generation Seminar: “The Realities of a Changing Climate: Meeting the Challenge”. (Nguyen)**

Documents Filed: Memorandum from Vice Mayor Nguyen, dated September 3, 2014, requesting excused absences due to authorized City business.

Action: The absences for Vice Mayor Nguyen were excused. (9-0-2. Absent: Constant, Herrera.)

2.5 **City Council Travel Reports.**

None provided.

2.6 **Report from the Council Liaison to the Retirement Boards.**

None provided.

2.7 **As recommended by the Public Safety, Finance, and Strategic Support Committee on August 21, 2014:**

- (a) **Accept staff’s report regarding options available to the San José Police Department to inform private daycares and afterschool programs of an imminent threat to public safety;**
- (b) **Approve the new provider agreement between the City of San José and County of Santa Clara to use the County-wide AlertSCC Regional Mass Notification System, at no cost to the City, for emergency notifications.**

**CEQA: Not a Project, File No. PP10-066(e), Services that involve no physical changes to the environment. (City Manager/Fire/Police)**

**[Public Safety, Finance, and Strategic Support Committee 8/21/14 – Item D(4)]  
(Deferred from 9/9/14 – Item 2.14)**

Documents Filed: Memorandum from City Clerk Toni Taber, dated August 27, 2014, transmitting the recommendations of the Public Safety, Finance and Strategic Support Committee.

Councilmember Chu pulled Item 2.7 to emphasize the importance of this system as a safety measure.

Action: Upon motion by Councilmember Chu, seconded by Council Member Liccardo and carried unanimously, the staff’s report was accepted, and the new provider agreement between the City of San José and County of Santa Clara to use the County-wide AlertSCC Regional Mass Notification System, at no cost to the City, for emergency notifications, was approved. (9-0-2. Absent: Constant, Herrera.)

**2.8 Adopt a resolution to:**

- (a) Approve the three-year Airport Concession Disadvantaged Business Enterprise (ACDBE) Program update in accordance with the regulations of the Federal Aviation Administration (FAA);**
- (b) Approve the three-year ACDBE participation target of 10.57% for all Airport concessions, other than car rentals, for Federal Fiscal Years (FFY) 2015 through 2017;**
- (c) Approve the three-year ACDBE participation target of 3.46% for car rentals, for FFYs 2015 through 2017;**
- (d) Authorize the City Manager to submit the three-year ACDBE participation plan update to the FAA;**
- (e) Authorize the City Manager to make revisions to the three-year ACDBE participation plan as requested by the FAA.**

Documents Filed: (1) Memorandum from Councilmember Liccardo, dated September 16, 2014, providing recommendations. (2) Memorandum from Director of Aviation, Kim Becker Aguirre, dated August 25, 2014, recommending adoption of a resolution.

Motion: Councilmember Liccardo pulled Item 2.8 and moved approval of his memorandum dated September 16, 2014. Councilmember Rocha seconded the motion.

City Manager, Edward K. Shikada and Airport Deputy Director Finance and Administration Kim Hawk responded to questions. Due to the time sensitivity of the Airport Concession Disadvantaged Business Enterprise (ACDBE) compliance deadline, a three-week turnaround for the outreach plan was agreed upon.

Action: On a call for the question, the motion carried unanimously, and Resolution No. 77160, entitled: "A Resolution of the Council of the City of San José Approving the Norman Y. Mineta San José International Airport Concession Disadvantaged Business Enterprise Three-Year Participation Plan Update", was adopted, with staff directed to return to Council in three weeks with an outreach plan communicating bidding opportunities to local disadvantaged and other small and local business enterprises, encouraging participation in concessions and other business opportunities at the airport. (10-0-1. Absent: Constant.)

**2.9 Approve a settlement in the amount of \$300,000 to each plaintiff, inclusive of attorneys' fees, for an aggregate total amount of \$900,000, and authorize the City Attorney to execute a Settlement Agreement to settle the case of *Celina Galindo, et al. v. Lee Tassio, et al.* CEQA: Not a Project; File No. PP10-066(h), Settlement Agreements. (City Attorney)**

Documents Filed: Memorandum from City Attorney Richard Doyle, dated September 4, 2014, recommending approval of a settlement.

Action: A settlement in the amount of \$300,000 to each plaintiff, inclusive of attorneys' fees, for an aggregate total amount of \$900,000 was approved, and the City Attorney was authorized to execute a Settlement Agreement to settle the case of *Celina Galindo, et al. v. Lee Tassio*. (10-0-1. Absent: Constant.)

- 2.10 As recommended by the Public Safety, Finance, and Strategic Support Committee on August 21, 2014, accept the Audit of Customer Call Handling. CEQA: Not a Project, File No. PP10-069(a), Staff Reports. (City Auditor)  
[Public Safety, Finance, and Strategic Support Committee referral 8/21/14 – Item D(8)]**

*Item 2.10 Renumbered to Item 3.5*

- 2.11 Adopt a resolution authorizing the City Manager to:**
- (a) Execute a Services Agreement with the San José Downtown Association for services to market and promote Downtown San José for the period of July 1, 2014 through June 30, 2015 for an amount not to exceed \$420,000;**
  - (b) Negotiate and execute subsequent amendments to the Agreement to revise the scope of services, subject to the appropriation of funds; and**
  - (c) Execute up to four additional one-year options to extend the agreement through June 30, 2019 to provide ongoing services for an estimated annual cost of \$320,000, subject to the appropriation of funds.**
- CEQA: Not a Project, File No. PP10-066(e), Services that involve no physical changes to the environment. Council District 3. (Economic Development)**

Documents Filed: Memorandum from Director of Economic Development/Chief Strategist Kim Walesh, dated August 25, 2014, recommending adoption of a resolution.

Action: Resolution No. 77156, entitled: “A Resolution of the Council of the City of San José Authorizing the City Manager to Execute a Services Agreement with the San José Downtown Association for Services to Market and Promote Downtown San José”, was adopted. (10-0-1. Absent: Constant.)

- 2.12 Approve an ordinance amending Chapter 15.14 of Title 15 of the San José Municipal Code to add a new Section 15.14.248 and amend Section 15.14.755 to add a new definition of the Clean Water Act and modify permit conditions to allow the transfer of discharge permits in the event of a change of ownership. CEQA: Not a Project; File No. PP10-068(c), Municipal Code amendments that involve no changes to the environment. (Environmental Services)**

Documents Filed: (1) Memorandum from Environmental Services Director Kerrie Romanow, dated August 27, 2014, recommending approval of an ordinance. (2) Letter from Treatment Plant Advisory Committee Chair Chuck Reed, dated September 12, 2014, stating concurrence with the Staff recommendations.

Action: Ordinance No. 29486, entitled: “An Ordinance of the City of San José Amending Chapter 15.14 of Title 15 of the San José Municipal Code to Add a New Section 15.14.248 to Define Clean Water Act and Amend Section 15.14.755 to Allow the Transfer of Discharge Permits in the Event of a Change of Ownership”, was passed for publication. (10-0-1. Absent: Constant.)

- 2.13 As recommended by the Public Safety, Finance, and Strategic Support Committee on August 21, 2014, adopt a resolution approving revisions to the City of San José’s Investment Policy. CEQA: Not a Project, File No. PP10-068(b), General Procedure & Policy Making. (Finance)  
[Public Safety, Finance, and Strategic Support Committee referral 8/21/14 – Item D(6)]**

Documents Filed: Memorandum from City Clerk Toni Taber, dated September 3, 2014, transmitting the recommendations of the Public Safety, Finance and Strategic Support Committee.

Action: Resolution No. 77157, entitled: “A Resolution of the Council of the City of San José Approving Revisions to City Council Policy 1-12, the City of San José Investment Policy”, was Adopted. (10-0-1. Absent: Constant.)

- 2.14 Approve Contract Change Order No. 1 in the amount of \$280,313 for the 2013 Relinquishment Project. CEQA: Exempt, File No. PP11-035. (Transportation)**

Document Filed: City Council Action Request from Director of Transportation Hans Larsen, dated September 19, 2014, recommending approval of a Contract Change Order.

Action: Contract Change Order No. 1 in the amount of \$280,313 for the 2013 Relinquishment Project, was approved. (10-0-1. Absent: Constant.)

## **END OF CONSENT CALENDAR**

### **STRATEGIC SUPPORT SERVICES**

- 3.3 Adopt the Nineteenth Supplemental Resolution (the “Resolution”) of the City Council:**

- (a) Authorizing the issuance of City of San José Airport Revenue Refunding Bonds, Series 2014A, Series 2014B, and Series 2014C, in an aggregate principal amount of not to exceed \$180,000,000 to be sold through negotiated sale;**
- (b) Approving substantially final forms of Tenth Supplemental Trust Agreement, Preliminary Official Statement, Final Official Statement, Bond Purchase Agreement and Continuing Disclosure Certificate; authorizing the distribution of one or more Preliminary Official Statements and the Final Official Statements; and**
- (c) Authorizing the City’s designated officers to take other necessary actions in connection therewith.**

**CEQA: Not a Project, File No. PP10-066, Agreements and Contracts. (Finance)  
[Deferred from 9/9/14 – Item 3.4(b)]**

### 3.3 (Cont'd.)

Documents Filed: (1) Memorandum from Director of Finance Julia H. Cooper, dated August 18, 2014, recommending approval of the sale and issuance of bonds and bond documentation. (2) Memorandum from Director of Finance Julia H. Cooper, dated September 5, 2014, transmitting documents for Airport Revenue Refunding Bonds.

Director of Finance Julia H. Cooper provided a presentation and responded to questions from the Council.

Public Comment: David Wall offered suggestions regarding financing of hangars.

Action: Upon motion by Councilmember Herrera, seconded by Councilmember Khamis and carried unanimously, Resolution No. 77158, entitled: "A Resolution of the Council of the City of San José entitled, "A Nineteenth Supplemental Resolution of the Council of the City of San José approving the Forms of Tenth Supplemental Trust Agreement, Preliminary Official Statement, Final Official Statement, Bond Purchase Agreement and Continuing Disclosure Certificate Providing for the Issuance of City of San José Airport Revenue Refunding Bonds, Series 2014A, Series 2014B and Series 2014C, in an Aggregate Principal Amount Not to Exceed \$180,000,000; Prescribing the Terms Conditions and Form of Said Series of Bonds; and Authorizing and Approving Other Related Actions", was adopted. (10-0-1. Absent: Constant.)

### 3.4 Adopt a resolution:

- (a) **Authorizing the issuance of (a) tax-exempt multifamily housing revenue notes designated as "City of San José Multifamily Housing Revenue Notes (Cambrian Center), Series 2014A-1 (the "Series 2014A-1 Note") and Series 2014A-2 (the "Series 2014A-2 Note, with, the Series 2014A-1 Note, the "Series 2014A Tax-Exempt Notes") in an aggregate principal amount not to exceed \$38,069,000 and (b) taxable multifamily housing revenue notes designated "City of San José Multifamily Housing Revenue Notes (Cambrian Center), Series 2014A-3 (the "Series 2014A-3 Note") and Series 2014A-4 (the "Series 2014A-4 Note", with the Series 2014A-3 Note, the "Series 2014A Taxable Notes") in an aggregate principal amount not to exceed \$5,000,000;**
- (b) **Approving a loan of Series 2014A Tax-Exempt Note and Series 2014A Taxable Note proceeds to Eden Cambrian, L.P., a California limited partnership created by Eden Housing Inc., to finance the acquisition and rehabilitation of the Cambrian Center apartments located at 2360 Samaritan Place, in San José;**
- (c) **Approving in substantially final form the Funding Loan Agreement, Borrower Loan Agreement, Assignment of Deed of Trust, and Regulatory Agreement and Declaration of Restrictive Covenants (the "Series 2014A Documents"); and**
- (d) **Authorizing and directing the City Manager, Director of Finance, and Director of Housing, or their designees, to execute and, deliver the Series 2014A Documents and other related Series 2014A Tax-Exempt Note and Series 2014A Taxable Note documents as necessary.**

**CEQA: Negative Declaration, File No. PDC79-098. (Finance/Housing)**

### 3.4 (Cont'd.)

Documents Filed: (1) Joint memorandum from Director of Housing Leslye Corsiglia and Director of Finance Julia H. Cooper, dated August 18, 2014, recommending adoption of a resolution. (2) Supplemental memorandum from Director of Housing Leslye Corsiglia, dated September 12, 2014, providing an updated status on the financing for the Cambrian Center Project.

Public Comment: Lihbin Shieo representing Eden Housing thanked the City for its issuance of the bonds. David Wall offered criticism of the project.

Action: Upon motion by Councilmember Rocha, seconded by Councilmember Herrera, and carried unanimously, Resolution No. 77159, entitled: "A Resolution of the Council of the City of San José Authorizing the Execution and Deliver of Multifamily Housing Revenue Notes, and the Loan of the Proceeds Thereof for the Financing of Cambrian Center; and approving Other Related Documents and Actions", was adopted. (10-0-1. Absent: Constant.)

### 3.5 **As recommended by the Public Safety, Finance, and Strategic Support Committee on August 21, 2014, accept the Audit of Customer Call Handling. CEQA: Not a Project, File No. PP10-069(a), Staff Reports. (City Auditor)** **[Public Safety, Finance, and Strategic Support Committee referral 8/21/14 – Item D(8)]**

*Item 3.5 was renumbered from Item 2.10*

Documents Filed: Memorandum from City Clerk Toni Taber, dated September 3, 2014, transmitting the recommendations of the Public Safety, Finance and Strategic Support Committee.

City Auditor Sharon Erickson provided an introduction to the audit. Director of Information Technology Vijay Sameta responded to questions to the Council. Council discussion followed.

Action: Upon motion by Vice Mayor Nguyen, seconded by Councilmember Herrera and carried unanimously, the Audit of Customer Call Handling was accepted. (10-0-1. Absent: Constant.)

**3.6 As recommended by the Rules and Open Government Committee on September 10, 2014, direct the City Manager to begin negotiations with the Police Officers Association and other applicable bargaining units to:**

- (a) Enter into a stipulation to defer the implementation of the portion of Measure B that calls for our employees to make an additional 4% contribution of salary to the Police & Fire and Federated retirement plans or take a 4% reduction in pay, for at least an additional year beyond July 1, 2015, the expiration of the existing stipulation;**
- (b) Create a Patrol Staffing Retention Plan to allow officers with 25 years or more of experience to remain in a paid position on the force, in patrol, while receiving a distribution of pension benefits in some form. Such a program must avoid the large liabilities created by guaranteed rates of return in may “DROP” programs, and ensure that officers who remain on the force do so at a rank of officers or sergeant, serving in a patrol responsibility.**

**CEQA: Not a Project, File No. PP10 069(b), City Organizational & Administrative Activities, and File No. PP10-068(c), General Procedure & Policy Making. (Mayor/Liccardo/Khamis)**

**[Rules Committee referral 9/10/14 – Item G(2)]**

Documents Filed: (1) Memorandum from Councilmember Rocha, dated September 15, 2014, providing support to the recommendation with amendments. (2) Memorandum from Councilmember Liccardo, dated September 16, 2014, providing support to the recommendation with amendments. (3) Memorandum from City Clerk Toni J. Taber, CMC, dated September 11, 2014, transmitting the recommendations of the Rules and Open Government Committee, including the memorandum from Mayor Reed, and Councilmembers Liccardo and Khamis, dated September 4, 2014, as described in “Action”.

Mayor Reed provided an introduction regarding the staffing retention plan and advantages of Measure B.

Public Comment: David Wall expressed is position that the Police Officers Association’s requests are reasonable.

Motion: Councilmember Liccardo moved approval of the recommendations as outlined in the joint memorandum from Mayor Reed and Councilmembers Liccardo and Khamis dated September 4, 2014, as well as his recommendations outlined in his memorandum of September 16, 2014. Vice Mayor Nguyen seconded the motion.

Councilmember Rocha asserted that he could not support the motion on the floor, citing a lack of sound policy-making. Councilmember Chu offered support to Councilmember Rocha’s memorandum of September 15, 2014, and Councilmember Kalra and Councilmember Khamis reasoned they could not support the motion.

### 3.6 (Cont'd.)

Action: On a call for the question, the motion carried, and direction was given to the City Manager to begin negotiations with the Police Officers Association and other applicable bargaining units to: (a) Enter into a stipulation to defer the implementation of the portion of Measure B that calls for our employees to make an additional 4% contribution of salary to the Police & Fire and Federated retirement plans or take a 4% reduction in pay, for at least an additional year beyond July 1, 2015, the expiration of the existing stipulation; (b) Create a Patrol Staffing Retention Plan to allow officers with 25 years or more of experience to remain in a paid position on the force, in patrol, while receiving a distribution of pension benefits in some form. Such a program must avoid the large liabilities created by guaranteed rates of return in many “DROP” programs, and ensure that officers who remain on the force do so at a rank of officers or sergeant, serving in a patrol responsibility, and including recommendations as outlined in Councilmember Liccardo’s memorandum of September 16, 2014, that (1) Under no circumstances can the Patrol Retention Staffing Plan increase aggregate unfunded liabilities or costs to the City’s retirement plan; (2) In addition to whatever is discussed in the September 16, 2014 open session, return in open session on any future Council agenda to address questions raised by Council about the actual Patrol Staffing Retention Plan being proposed by the Police Chief. That discussion should focus on what is actually proposed by the Chief, and should avoid the distraction of the pros and cons of any imagined “DROP” plans which are not being authorized for negotiation. In addition, the City Attorney and outside counsel should be included with the City Manager as handling the referenced part of the stipulation indicated in Staff’s memorandum of September 11, 2014, Section (a). (6-4-1. Noes: Chu, Kalra, Khamis, Rocha. Absent: Constant.)

## COMMUNITY & ECONOMIC DEVELOPMENT

### 4.1 **Conduct a Public Hearing on the FY 2013-2014 Consolidated Annual Performance Evaluation Report and approve the document for submittal to the U.S. Department of Housing and Urban Development by the September 30, 2014 deadline. CEQA: Not a Project, File No. PP10-069(a), Annual Report. (Housing)**

Documents Filed: (1) Memorandum from Director of Housing Leslye Corsiglia, dated August 25, 2014, recommending conducting a public hearing. (2) Supplemental memorandum from Director of Housing Leslye Corsiglia, dated September 15, 2014, documenting that no input was received during the public comment period.

Mayor Reed opened the public hearing.

Public Comment: David Wall and Ross Signorino offered comments.

Mayor Reed closed the public hearing.

**4.1 (Cont'd.)**

Action: Upon motion by Councilmember Herrera, seconded by Vice Mayor Nguyen and carried unanimously, the FY 2013-2014 Consolidated Annual Performance Evaluation Report was approved, and the document for submittal to the U.S. Department of Housing and Urban Development by the September 30, 2014 deadline was authorized, with staff to develop an internal report breaking down data identifying the City’s housing and community development goals and progress made. (10-0-1. Absent: Constant.)

**PUBLIC SAFETY SERVICES**

**8.1 (a) As recommended by the Public Safety, Finance, and Strategic Support Committee on May 15, 2014, accept the report on the Use of Police Reserves.**

**(b) Accept the Police Department’s workplan for revisions to San José Municipal Code Chapter 8.12 – San José Police Reserve.**

**CEQA: Not a Project, File No. PP10-069(A), Staff Reports. (Police)**

**[Public Safety, Finance, and Strategic Support Committee 5/15/14 – Item D(2)]**

**(Deferred from 6/17/14 – Item 8.1 and 8/5/14 – 8.1)**

Action: Deferred to September 23, 2014 per Rules and Open Government Committee.

**NOTICE OF CITY ENGINEER’S PENDING DECISION ON FINAL MAPS**

In accordance with Sec. 19.16.140d of the San José Municipal Code, this is notice of the City Engineer's pending decision on the following Final Maps:

<u>Tract</u>	<u>Location</u>	<u>Council District</u>	<u>Developer</u>	<u>Lots/Units</u>	<u>Type</u>	<u>Proposed Decision</u>
10266	1729 North 1 <sup>st</sup> Street	3	Barry Swenson Builder	1 / 376	MFA	Approval

**OPEN FORUM**

1. Ross Signorino offered recommendations and observations on security issues.
2. Richard McCoy discussed the importance of San José’s Veteran’s Day Parade and concerns regarding its financing.
3. Perry Nistry proposed an entrepreneurship development program for the homeless population.
4. Susan Landry presented issues regarding medical marijuana zoning certification and stressed the need for a time extension.
5. David Wall discussed fiscal waste in the City.

## **ADJOURNMENT**

The Council of the City of San José adjourned at 3:49 p.m. in memory of San José resident Jit Singh Baniwal, who founded the Sikh Gurdwara San José in 1985. Jit worked as a high school teacher in India teaching Math and Science and migrated to San José in July 1977. He passed away on Friday, August 29, 2014 leaving behind his beloved wife and 3 children. (Herrera)

Minutes Recorded, Prepared and Respectfully Submitted by,

Toni J. Taber, CMC  
City Clerk

rmk/9/16/14MIN