CITY OF SAN JOSE
CAPITAL OF SILICON VALLEY

COUNCIL AGENDA: 1-8-13
ITEM: 2.3 (e)

RULES AND OPEN GOVERNMENT COMMITTEE

Meeting Report
February 29, 2012

PRESENT: Mayor Reed, Councilmembers Constant and Oliverio

ABSENT: Vice-Mayor Nguyen (Excused)

STAFF: City Manager Debra Figone, Deputy City Attorney Ed Moran, City Clerk Dennis Hawkins, CMO Agenda Services Manager Leanna Bieganski, Redevelopment Agency Managing Director Richard Keit, Mayor's Council Agenda Manager Sara Wright, and Deputy City Clerk Tamara Davis.

A. City Council

1. Review Final Agenda for March 6, 2012

Documents filed: Letter from the Association of Legal Professionals

Public Comments: Vera Todorov requested that the Council defer Item 3.5 (Revised Retirement Reform Ballot Measure) because the terms have not been agreed to by the unions.

Brian Doyle provided comments on the Pension Reform Measure and a proposed study session.

David Wall commented on pension estimates and how they were reported to the public.

Action: The Committee approved the agenda, as amended.

2. Review of Draft Agenda for March 13, 2012

Public Comments: David Wall recommended that Fire Station #1 be a candidate for a City landmark and commented on Items 7.1 (Master Agreement with BLP Engineers, Inc. for the Digester Rehabilitation Program at the San Jose/Santa Clara Water Pollution Control Plant) and 7.2 (Actions Related to the Acceptance of Grant Funding under State Proposition 84 Bay Area Integrated Regional Water Management Program for South Bay Water Recycling Facility Improvements).

Action: The Committee approved the agenda, as amended with a 14-Day Sunshine Waiver for Item 7.2 (Actions Related to the Acceptance of Grant Funding under State Proposition 84 Bay Area Integrated Regional Water Management Program for South Bay Water Recycling Facility Improvements.)

B. Review of Upcoming Study Session Agenda - None

C. Legislative Update

1. State

Director of Intergovernmental Relations Betsy Shotwell informed the Committee the deadline for bill introduction for the second year of the two year session was Friday, February 24. Ms. Shotwell mentioned that one of the bills previously supported by the City Council will allow for the operator of the Civic Auditorium and the Convention center to receive payment for alcohol advertising and sponsorship, and Assembly Member Jim Beall introduced AB 2047, with principal co-author Senator Elaine Alquist. Ms. Shotwell will include an update on the legislation in the City Manager's weekly report status update.

Ms. Shotwell briefly discussed AB 2312 (Ammiano) - Medical MJ Regulation and Control Act, which would create a statewide medical marijuana regulation system and mentioned that the City Attorney's Office is currently reviewing the bill.

2. Federal

D. Meeting Schedules – None.

E. The Public Record

Document Filed: Memorandum from City Clerk Dennis Hawkins dated February 24, 2012 transmitting the Public Record for the week of February 17 - 23, 2012.

Public Comments: David Wall pulled Items (d), (e), (f), (g), and (h) and provided additional comments.

Martha O'Connell pulled Item (c) and provided additional comments.

Action: The Public Record was noted and filed.

F. Boards, Commissions and Committees - None

1. Appointments
2. Workplans
3. Annual Reports

G. Rules Committee Reviews, Recommendations and Approvals

1. Workload Assessment for Council Requests and Referrals - None

2. Direct the City Manager, Director of Retirement Services, Finance Director, and any staff who may have relevant information to provide answers regarding Pension Cost Estimates (please refer to memo for more information). (Councilmembers Kalra, Chu, Campos, Rocha, and Pyle)

Document filed: Memorandum from Councilmembers Kalra, Chu, Campos, Rocha, and Pyle to the Rules and Open Government Committee dated February 23, 2012 regarding Information Request Regarding Pension Cost Estimates.

Mayor Reed mentioned that the Stanford Institute for Economic Policy Research recently released a report on the 24 largest independent pension plans in California including San Jose's two plans. The report concluded, in part, that each of the systems substantially understated liabilities and overstated funded rations. Mayor Reed also referenced the Kellogg School of Management at Northwestern University report, which indicated that San Jose's plans assets are adequate to pay accrued benefits only until 2027. Mayor Reed suggested a budget study session for March 29, 2012 to further review and discuss the pension issue.

Councilmember Rocha clarified that his request is an information request as to how the pension estimates were created and if there is supporting documentation. Councilmember Rocha questioned why the actuarial analysis had not been made public. Furthermore, Councilmember Rocha questioned what methodology or professional estimates were used to determine the pension amount.

Public Comments: David Wall questioned how the word "estimate" was omitted from all public documents.

Martha O'Connell stated the memo was intended to hurt the Mayor and the Councilmembers who have supported pension reform.

Steve Kline questioned how the pension estimate was achieved.

Nancy Ostrowski questioned the $650 million pension figure and whether or not it was used in the bond disclosures.

Actions: The Committee approved the memorandum and set a study session date for March 29, 2012 at 1:30 pm.

3. Accept the Santa Clara Valley Water District FY 2013 – Joint Advocacy Federal Projects. (City Manager and Environmental Services)

Documents filed: Memorandum from Intergovernmental Relations Director Betsy Shotwell and Environmental Services Acting Director Kerrie Romanow to the Rules and

Open Government Committee dated February 21, 2012 regarding the Santa Clara Valley Water District FY 2013 - Joint Advocacy Federal Projects.

Public Comments: David Wall provided comments on the report.

Action: The Committee approved the memorandum and forwarded to the City Council with a one-week turnaround for the March 6, 2012 Council Agenda for formal action.

4. Discuss and consider further action regarding a protocol for reports from the Council Liaison to the Retirement Boards as appropriate. (City Clerk)

Documents filed: Memorandum from City Clerk Dennis Hawkins to the Rules and Open Government Committee date February 24, 2012 regarding Discussion of Reports from the Council Liaison to the Retirement Board.

Public Comments: David Wall expressed his support for the memo from Councilmember Rocha.

Action: The Committee directed staff to link the Retirement Board meeting agendas and minutes to the Council Liaison's Council agenda report item.

5. Approve the "1,000 Hearts for 1,000 Minds" as a City-Sponsored Initiative, Authorize expenditure of City funds to support the Initiative, and place the item on the March 6 City Council Agenda for approval.

Documents filed: Memorandum from City Clerk Dennis Hawkins to the Rules and Open Government committee dated February 24, 2012 regarding "1,000 Hearts for 1,000 Minds" City sponsored Special Event.

Public Comments: David Wall suggested that the Silicon Valley Leadership Group should fund this event.

Action: The Committee approved the event and forwarded this item to the City Council for formal action on the March 6, 2012 agenda.

H. Review of additions to Council Committee Agendas/Workplans – None

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

I. Open Government – None

1. Appeals of Public Records Act Requests

J. Open Forum

David Wall made comments related to the convention center expansion.

K. Adjournment

The meeting was adjourned at 3:06 p.m.

Chuck Reed

Mayor Chuck Reed
Rules and Open Government Committee