

MINUTES OF THE CITY COUNCIL

PROPOSED OPERATING BUDGET FOR FISCAL YEAR 2016-2017 PROPOSED 2016-2017 CAPITAL BUDGET AND 2017-2021 CAPITAL IMPROVEMENT PROGRAM PROPOSED 2016-2017 FEES & CHARGES STUDY SESSIONS

May 11, 2016 – May 13, 2016

The Council of the City of San José convened in Regular Budget Study Session on Monday, May 11, 2016 at 9:06 a.m. in the Council Chamber, City Hall Council Wing, San José, California.

Present: Council Members - Carrasco (9:50 a.m.), Herrera (10:01 a.m.), Jones, Kalra, Khamis, M. Nguyen, T. Nguyen, Oliverio (9:25 a.m.), Peralez, Rocha (10:41 a.m.); Liccardo.

Absent: Council Members - All Present.

Staff: City Attorney Richard Doyle, City Manager Norberto Dueñas, Assistant City Manager David Sykes, Senior Deputy City Manager/Budget Director Jennifer A. Maguire, Assistant Budget Director Margaret McCahan, Director of Economic Development/Chief Strategist Kim Walesh, Mayor's Budget Director Lee Wilcox, City Clerk Toni J. Taber, CMC and Deputy City Clerk Susan M. Davis.

Documents Filed: (1) Staff Presentation dated May 11, 2016 summarizing the 2016-2017 Proposed Operating Budget Overview. (2) Staff Presentation dated May 11, 2016 describing Participatory Budgeting. (3) Staff Presentation dated May 11, 2016 summarizing the Community and Economic Development 2016-2017 Proposed Operating Budget.

OPENING COMMENTS / INTRODUCTION

Mayor Sam Liccardo presented opening comments.

City Manager Norberto Dueñas offered the introduction of the Proposed Operating Budget.

Introduction of the Proposed Operating Budget and Overview presentation.

Senior Deputy City Manager/Budget Director Jennifer A. Maguire provided a brief overview of the Proposed Fiscal Year 2016-2017 Operating Budget. Deputy City Manager/Director of Economic Development Kim Walesh and Senior Business Development Manager Chris Burton presented an overview of the Fiscal Year 2016-2017 Economic Forecast.

Mayor Sam Liccardo inquired about the Strategic Goal of Increasing the City's Housing Unit Production, specifically the 2015-2016 estimate of 2,000 units for the San José housing production compared to the regional fair share number target which is below the 2015-2016 target of 3,400. Senior Deputy City Manager/Budget Director Jennifer A. Maguire replied that a Manager's Budget Addendum will be forthcoming.

Council Member Manh Nguyen requested information regarding the City's expenditures related to communications, outreach and translation services in City Departments. Senior Deputy City Manager/Budget Director Jennifer A. Maguire replied that she will provide a Manager's Budget Addendum (MBA) to Council on these items.

Participatory Budgeting Overview

Mayor's Budget Director Lee Wilcox and Council Member Raul Peralez provided an overview on Participatory Budgeting and responded to Council questions.

Community and Economic Development

Assistant Director of Economic Development Nanci J. Klein presented the overview of the 2016-2017 Proposed Operating Budget.

Adjournment

Vice Mayor Rose Herrera adjourned the Study Session at 12:00 p.m.

RECESS/RECONVENE

The City Council recessed at 12:00 p.m. from the afternoon Study Session and reconvened at 9:04 a.m. in the Council Chamber, City Hall Council Wing, San José, California.

Present: Council Members - Carrasco, Herrera (10:16 a.m.), Jones, Kalra (10:00 a.m.), Khamis, M. Nguyen, T. Nguyen, Oliverio, Peralez, Rocha (9:30 a.m.); Liccardo.

Absent: Council Members - All Present.

Staff: City Attorney Richard Doyle, City Manager Norberto Dueñas, Assistant City Manager David Sykes, Senior Deputy City Manager/Budget Director Jennifer A. Maguire, Assistant Budget Director Margaret McCahan, Director of Economic Development/Chief Strategist Kim Welsh, Mayor's Budget Director Lee Wilcox, City Clerk Toni J. Taber, CMC and Deputy City Clerk Susan M. Davis.

Documents Filed: (1) Staff Presentation dated May 12, 2016 summarizing the Public Safety Proposed Operating Budget. (2) Staff Presentation dated May 12, 2016 summarizing the Environmental and Utility Services Proposed Operating Budget. (3) Staff Presentation dated May 12, 2016 summarizing the Neighborhood Services Proposed Operating Budget. (4) Staff Presentation dated May 12, 2016 summarizing the Transportation and Aviation Services Proposed Operating Budget.

Community and Economic Development. (Cont'd.)

Division Manager of Environmental Services Jeffrey Provenzano, Director of Planning, Building and Code Enforcement Harry Freitas, Director of Housing Jacky Morales-Ferrand, Director of Aviation Services Kimberly J. Becker and Director of Cultural Affairs Kerry Adams Hapner responded to Council questions and concerns.

Public Safety Department

Chief of Police Edgardo Garcia, Fire Chief Curtis Jacobson and Independent Police Auditor Walter W. Katz presented the report.

Extensive Council discussion ensued.

Mayor Sam Liccardo adjourned the morning Study Session at 12:00 p.m. and reconvened at 1:33 p.m.

Present: Council Members - Carrasco, Herrera, Jones, Kalra, Khamis, T. Nguyen, Oliverio, Peralez, Rocha; Liccardo.

Absent: Council Members - M. Nguyen. (Excused)

Environmental Services Department

Director of Environmental Services Kerrie Romanow provided the report on Environmental and Utility Services.

City Attorney Richard Doyle, Senior Deputy City Manager/Budget Director Jennifer A. Maguire, Director of Environmental Services Kerrie Romanow, Director of Public Works Barry Ng, Division Manager of Environmental Services Jeffrey Provenzano and Deputy Director of Environmental Services Jo Zientek responded to Council questions and concerns.

Neighborhood Services

Deputy City Manager Julie Edmonds-Mares, Library Director Jill Bourne, Deputy Director of Planning, Building and Code Enforcement Diane Buchanan, Director of Public Works Barry Ng and Director of Parks, Recreation and Neighborhood Services Angel Rios, Jr. provided the Neighborhood Services Report.

Transportation and Aviation Services

Director of Aviation Services Kimberly J. Becker and Director of Transportation James Ortbal presented the Transportation and Aviation Services Report.

Strategic Support Services

Director of Finance Julia H. Cooper, Chief Information Officer Vijay Sammeta, Director of Human Resources Joseph Angelo and Director of Public Works Barry Ng offered the Report on Strategic Support Services.

Adjournment

Mayor Sam Liccardo adjourned the afternoon Study Session at 4:16 p.m.

RECESS/RECONVENE

The City Council recessed at 4:16 p.m. from the afternoon Study Session and reconvened at 1:33 p.m. in the Council Chamber, City Hall Council Wing, San José, California.

Present: Council Members - Carrasco, Jones, Kalra (1:48 p.m.), Khamis, M. Nguyen, T. Nguyen, Oliverio (2:07 p.m.), Peralez, Rocha; Liccardo.

Absent: Council Members - Herrera. (Excused)

Staff: City Attorney Richard Doyle, City Manager Norberto Dueñas, Assistant City Manager David Sykes, Senior Deputy City Manager/Budget Director Jennifer A. Maguire, Assistant Budget Director Margaret McCahan, Mayor's Budget Director Lee Wilcox, City Clerk Toni J. Taber, CMC and Deputy City Clerk Susan M. Davis.

Documents Filed: (1) Staff presentation dated May 13, 2016 summarizing the Strategic Support 2016-2017 Proposed Operating Budget. (2) Staff presentation dated May 13, 2016 summarizing the 2016-2017 Proposed Capital Budget and 2017-2021 Capital Improvement Program.

Strategic Support Services- Mayor, Council Offices and Appointees

Mayor Sam Liccardo presented opening comments and introduced Senate President Pro Tempore Kevin de Leon.

Kevin de Leon, Senate President Pro Tempore addressed the City Council pertaining to issues in Sacramento related to climate change, reducing the carbon footprint, making sure there are investment dollars for public transportation and roadway infrastructure, parks, green space and open space.

City Clerk

City Clerk Toni J. Taber, CMC offered a brief report and responded to Council questions.

City Attorney

City Attorney Richard Doyle presented the report and responded to Council questions.

Brief discussion ensued.

City Auditor

City Auditor Sharon W. Erickson provided the report.

City Manager

City Manager Norberto Dueñas provided the report. Assistant to the City Manager Zulma Maciel offered information about the Office of Immigrant Affairs.

Office of Retirement Services

Director of Retirement Services Roberto Peña provided the report.

Fees and Charges

Council Member Donald Rocha inquired about the cost breakdown of the Police Department's Vehicle Impound Release Fee. Senior Deputy City Manager/Budget Director Jennifer A. Maguire replied that a Manager's Budget Addendum will be issued.

Council Member Pierluigi Oliverio requested that Staff submit a proposal to evaluate the fine for Airport curfew violations and potentially bring forward a proposed increase to the fine based on the analysis. Director of Aviation Services Kimberly J. Becker replied that the Airport currently issues citations with a \$2,500 fine for aircraft that violate the 11:30 p.m. to 6:30 a.m. curfew.

Fiscal Year 2016-2017 Proposed Capital Budget and 2017-20121 Capital Improvement Program

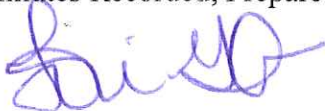
Assistant to the City Manager/Capital Budget Director Bonny Duong and Director of Public Works Barry Ng presented a brief report. Deputy Budget Director Jim Shannon was present.

Council discussion ensued.

ADJOURNMENT

Mayor Sam Liccardo adjourned the afternoon Budget Study Session at 4:23 p.m.

Minutes Recorded, Prepared and Respectfully Submitted by,



Toni J. Taber, CMC
City Clerk

smd/May 11-13, 2016 BUDGET MIN

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