

Minutes of Regular Meeting  
**Board of Directors**  
**San Jose Downtown Property Owners' Association**

January 16, 2013

A regular meeting of the Board of Directors of the San Jose Downtown Property Owners' Association (POA), a non-profit California corporation, was held at SJDA office, 28 N. First St., Suite 1000, San Jose, CA 95113.

Board members present: Berg, Hammers, Cosgrove, Mattson, Ortbal, Utic and Ryan.

Members absent: Souza, Kline, Keit and Schneider.

Also present were Executive Director Scott Knies, Deputy Director Blage Zelalich and Operations Manager Eric Hon. Blair McBride and Rich Mongarro from Block by Block, were also in attendance.

Hammers called the meeting to order at 8:35 a.m.

Hammers asked Blair McBride to begin the meeting by introducing Block by Block to the board.

- McBride said Block by Block (BBB) officially took over the San Jose account from Service Group Inc. (SGI) on January 1, 2013. Their focus since assuming operations was to learn as much as they could about the account, meet with SJDA staff and transition the program. A lot of back office work had to be done in a short amount of time so the program could continue to function without interruption.
- McBride said the PBID board can expect to see minor adjustments to enhance the program, such as doing more pressure washing at night, having the supervisors out in the field more and performing more special projects.
- Hammers asked how BBB addressed the rate decrease for pressure washers? McBride said notice was given in advance to the pressure washers, so they would have time to adjust.
- Utic asked if there was any turnover during the transition process. McBride said there was no turnover in this account. He added that the staff has bought into the BBB way of doing things. Mongarro agreed and said staff has supported the administrative changes and understand that the changes are intended to improve the overall program. Mongarro feels that Groundwerx will be better equipped to deal with issues and have a greater attention to detail in terms of cleaning.
- Hammers reminded the board about the Groundwerx five-year anniversary celebration on January 28.

Minutes

- The meeting minutes from November 6 as distributed to the board prior to the meeting were approved.

President's Report

- Hammers said the past two months have been very busy and productive.
- Hammers said the board needs to set its meeting dates for 2013 and include dates for the beautification subcommittee. Hammers said the board typically has met on a bi-monthly schedule and recommends continuing that pattern.
- Hammers said the beautification subcommittee was interested in having a three to four hour retreat and wanted to invite Kathy Finley and a

landscape architecture professional for an outsider's perspective. Zelalich said the goal is to develop a new beautification strategy plan through this meeting.

- Hon said the board will need to set the assessment rate for 2013 and approve the budget for FY 2013-14 before May.
- Knies said staff would send out some prospective dates for the retreat.
- Hammers gave an update on the Public Records Act request. He said SJDA hired an attorney and supplied some materials that they needed to legally, but NBC never followed up.
- Utic asked why NBC made the request in the first place. Knies said that is a tactic used to come up with stories in organizations that are not transparent or poorly run.
- Hammers said the attorney fee through December was \$4,000 and the PBID would split the costs with SJDA.
- Hammers said another recent accomplishment was the determination that prevailing wage requirements do not apply to pressure washers.
- Hammers said that he, along with Cosgrove and Schneider met with the Police Officers Association (POA) to discuss the PBID SEU program. The POA had some misunderstandings of the program and once that was made clear, they seemed more accepting of the PBID's interest in hiring off duty officers.
- Cosgrove said there are still some issues to be worked out, such as how to treat situations on public property versus private property. The POA, however, now understands the PBID's intent.
- Zelalich asked when the program could potentially start. Hammers said that the POA must first accept the PBID's proposal and the scope needs some revision. Hammers also said the PBID cannot choose its officers.
- Hammers will work with Lt. Simms, who is in charge of the SEU unit, and will provide updates as things progress.

#### New Business: District Services

- Hammers said the agreements with the City and Block by Block have been signed and executed. The last agreement that needs to be finalized is the PBID/SJDA agreement. A copy of the agreement was available at the board meeting, which highlighted the updates from the original 2008 agreement.
- Ortbal suggested an amendment that the compensation should be "up to a maximum of 9.9%" and not just a flat rate, to which other board members agreed.
- A motion was made to approve the agreement with the recommended revision. The motion was unanimously approved.
- Hon said the Heritage Clock on South First St. across from the Fairmont Hotel has stopped working. The engine and transmission needs to be rebuilt. Hon has contacted Mohr Clocks who have submitted a proposal for the repairs, which includes ongoing maintenance of the clock. The total cost for the repairs is \$5,773 and the annual maintenance is \$550 per year.
- The board unanimously approved both the repairs and the maintenance of the clock.
- Hammers referred to page five of the board packet. The budget was approved in April, but staff has provided a revised budget based on actual

contract numbers from Block by Block. Hammers pointed out that funds for the SEU and Business Development position have not yet been spent.

- Knies said the City recently hired their Small Business Ally position so the PBID can move forward with our process for hiring the Business Development Manager. Knies added that Hammers will be included in the selection process and the PBID position will be filled in February.
- Ortbal asked if the budget included the enhanced sidewalk maintenance. Knies said those funds are included in line 37 of the budget.
- Knies reiterated that the budget was already approved, but staff wanted to provide a revised forecast because the approved budget was based on cost estimates and more accurate projections are now known.

The meeting was adjourned at 10 a.m.